UTL SOLAR

May 22, 2026

| The Manager<br>Listing Department<br>**National Stock Exchange of India Limited**<br>Exchange Plaza, C-1, Block G<br>Bandra Kurla Complex<br>Bandra (E), Mumbai 400 051<br>Maharashtra, India<br><br>Scrip Symbol : UTLSOLAR | The Manager<br>Listing Department<br>**BSE Limited**<br>Phiroze Jeejeebhoy Towers<br>Dalal Street, Fort<br>Mumbai 400 001<br>Maharashtra, India<br><br>Scrip Code: 544613 |
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**Subject: Intimation of transcript of the Investors Conference Call on audited annual financial results and limited reviewed quarterly financial results ended March 31, 2026**

Dear Madam/ Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Investors Conference Call on audited annual financial results and limited reviewed quarterly financial results ended March 31, 2026, held on Friday, May 15, 2026 at 04:00 P.M. (IST).

The above details will also be available on the website of the Company at www.utlsolarfujiyama.com

Kindly take the information on record.

Thanking you,

Yours Sincerely,

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

MAYURI GUPTA
Digitally signed by MAYURI GUPTA
Date: 2026.05.22 09:22:25 +05'30'

Mayuri Gupta
Company Secretary and Compliance Officer
**M. No.:** A75210

# "Fujiiyama Power Systems Limited

# Q4 FY26 Earnings Conference Call"

# May 15, 2026

**MANAGEMENT:** **MR. PAWAN KUMAR GARG – CHAIRMAN AND JOINT MANAGING DIRECTOR – FUJIYAMA POWER SYSTEMS LIMITED**
**MR. YOGESH DUA – CHIEF EXECUTIVE OFFICER AND JOINT MANAGING DIRECTOR – FUJIYAMA POWER SYSTEMS LIMITED**
**MR. PRASHANT GUPTA – CHIEF FINANCIAL OFFICER – FUJIYAMA POWER SYSTEMS LIMITED**

**MODERATOR:** **MR. SUMANT KUMAR - MOTILAL OSWAL**

**Moderator:** Ladies and gentlemen, good day and welcome to Fujiyama Power Systems 4Q FY26 Earnings Conference Call hosted by Motilal Oswal Financial Services Limited. As a reminder, all participant lines will be 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 an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Sumant Kumar from Motilal Oswal. Thank you and over to you, sir.

**Sumant Kumar:** Thank you. Good evening, everyone, and a very warm welcome to Fujiyama Power Systems Limited 4Q FY26 post-result earnings call hosted by Motilal Oswal Financial Services Limited. On the call today, we have the management team being represented by Mr. Pawan Kumar Garg, Chairman and Joint Managing Director; Mr. Yogesh Dua, CEO and Joint Managing Director; Mr. Sunil Kumar, Non-Executive Director; and Mr. Prashant Gupta, CFO. We will begin the call with key thoughts from the management team. Thereafter, we will open the floor for Q&A.

I would now like to request the management to share their perspective on the performance of the company. Thank you and over to you, sir.

**Pawan Kumar Garg:** Good afternoon. This is Pawan Garg. Good afternoon, everyone, and thank you for joining us today. It is a pleasure to address you as we conclude our first full financial year post-listing and share updates on our performance for the quarter and year ended March 31, 2026. Let me begin by thanking all our stakeholders for their continued support through this important year.

The past 12 months have been significant for Fujiyama as we transitioned into a listed company while continuing to scale our operations, expand our manufacturing footprint, and strengthen our distribution network. Over the years, we have built a unique position in the rooftop solar market by focusing on off-grid and hybrid solutions.

Our systems are largely adopted as reliable backup for households facing inconsistent grid supply rather than being driven by subsidies. This approach has helped us build a strong customer base, especially in Tier 2 and Tier 3 cities that see solar as a necessity rather than an optional purchase, allowing us to grow consistently across the market cycles.

Now coming to our performance, the March quarter marked a strong finish to the year. Revenue from operations for the quarter is Rs. 9,008 million, reflecting year-on-year growth of 87.5%. EBITDA for the quarter more than doubled year-on-year to Rs. 1,715 million. For the full year, revenue from operations reached Rs. 26,545 million, representing a growth of 72.3% on a year-on-year basis.

EBITDA for the year was Rs. 4,903 million, with margins expanding to 18.5% as compared to 16.1% of the last financial year. We have added 4,00,000 plus households during this financial year, considering the number of inverters sold during this period.

This performance reflects the strength of our integrated model supported by manufacturing, distribution, and after-sales capabilities. A key contribution to this growth has been our continued focus on distribution. During the quarter, we added over 80 distributors, more than 450 dealers, and 30 exclusive Shoppe outlets. With this, our total channel partners network has crossed 8,900 as on March 2026. This expansion has allowed us to deepen our presence in existing markets while also entering new regions.

On the manufacturing front, we have achieved an important milestone with the commissioning of our 2,000 megawatt solar panel manufacturing facility at Ratlam. This plant strengthens our ability to meet growing demand and improves our overall supply readiness. At the same time location, the commissioning of power electronics and battery capacities saw some delays as we incorporated the latest advancements in lithium-ion battery technology.

Earlier, we were using 100 AH cells, but in coming time, 300 AH and more capacity cells will be becoming more common in lithium-ion batteries. We have ordered our lines considering future technology demands. It is also worth to mention that we could manage the total cost of the line within our target cost while adopting more flexibility along with future-ready technology requirements, ensuring our products remain relevant and competitive as the market evolves.

In addition, certain geopolitical developments had an impact on supply timelines of plant and machinery during the execution phase. With these factors now largely addressed, the inverter manufacturing line, machinery is already received at the facility and expected to be commissioned in the first quarter of 2027. Furthermore, the battery machinery orders have been placed and commissioning is expected in the second quarter of 2027.

Further strengthening our backward integration strategy, we are also setting up a 1,200 megawatt TOPCon solar cell manufacturing facility at Ratlam. This addition will further enable us to address the on-grid solar rooftop market more effectively. As we look ahead, the demand environment for solar solutions in India continues to remain favourable. With over 7 million installations still untapped under PM Surya Ghar Yojana, this represents close to 25 gigawatt of incremental opportunity. With our existing 1,000 megawatt Mono PERC solar cell capacity and planned additional 1,200 megawatt TOPCon facility, we are well-positioned to address the emerging demand under the ALMM 2 framework.

I would also like to update everyone on the unfortunate fire incident that occurred at our Bawal manufacturing facility. We are relieved to share that there were no casualties or injuries, and the safety and wellness of our employees and workers remain our highest priority. The affected facility had a lead-acid battery manufacturing capacity of 1.3 gigawatt, and the company maintains comprehensive insurance coverage for the plant, inventory, and related assets.

Operations at the facility have been temporarily suspended while the exact cause of the incident remains under investigation. In parallel, the company is facilitating to transfer the employees to other manufacturing facilities to ensure the continuity of employment. To ensure uninterrupted customer supplies and overall business continuity, we have already activated alternate manufacturing arrangements through third-party partners.

Further, all critical business systems and operations continue to remain fully functional and secure. All critical business operations and ERP systems continue to remain fully functional and secure, ensuring uninterrupted business continuity with no loss of centralized digital data. The management remains confident that the incident will not have any material long-term impact on the company's overall business operations.

Regarding the growth of the rooftop solar industry, with electricity demand continuing to rise and conventional energy sources facing challenges, solar is becoming a preferred alternative. This shift is particularly visible in regions experiencing grid instability, where consumers are actively seeking more reliable and long-term energy solutions. Our focus remains clear as we move into next year. We will continue to extend our distribution network, complete our ongoing capacity additions, at the same time maintaining service quality and strengthening customer relationships will remain a priority as we scale.

Before I conclude, I would like to thank our employees for their dedication and consistent efforts across functions, which have enabled us to deliver this performance. I would also like to thank our shareholders for their continued confidence in Fujiyama as we build a business focused on long-term value creation while contributing to India's transition towards reliable and clean energy. Thank you very much. I will now hand over to our CFO, who will take you through the detailed financials. After that, we will be happy to take your queries. Thank you.

**Prashant Gupta:** Thank you, Pawan. Good afternoon, everyone. I will take you through the financial performance for the quarter and year ended March 31, 2026. Let me begin with the quarterly performance. During Q4 FY26, revenue from operations was Rs. 9,008 million compared to Rs. 4,803 million in Q4 last year, reflecting a year-on-year growth of 87.5%. EBITDA for the quarter was Rs. 1,715 million, with EBITDA margins improving to 19% from 16.5% in the corresponding period last year. Profit after tax for the quarter was Rs. 1,063 million, with PAT margins improving to 11.8% compared to 10.7% in Q4 FY25.

The improvement in profitability on a year-on-year basis was mainly supported by better material margins, which expanded by 2.1%. This was driven by continued backward integration and higher captive manufacturing across solar panels, batteries, and power electronics. During the year, solar panel manufacturing capacity increased from 1,039 megawatt to 1,639 megawatt.

Power electronics capacity expanded from 1,143 megawatt to 2,180 megawatt, and lithium battery manufacturing capacity increased from 45 megawatt hours to 545 megawatt hours. The higher scale of operations also supported better absorption of fixed costs and improved manufacturing efficiencies.

During the quarter, we also saw increased participation in the on-grid solar segment, particularly under the Pradhan Mantri Surya Ghar Muft Bijli Yojana, which supported volume growth during the period. Employee and other operating costs remained broadly stable overall, with increases in certain expenses being substantially offset by efficiencies and savings across other costs.

Let me now discuss the sequential performance. On a quarter-on-quarter basis, revenue from operations increased by 53.1% compared to Q3 FY26. EBITDA increased by 56%, while PAT increased by 58% sequentially. PAT margins improved from 11.4% in Q3 FY26 to 11.8% in Q4 FY26. Despite the significant increase in volumes during the quarter, material margins remained broadly stable with only a marginal movement sequentially, reflecting stable operating performance. The improvement in PAT margins was also supported by lower finance costs following repayment of debt through utilization of IPO proceeds. This was partly offset by a moderate increase in other operating expenses during the quarter.

Moving to the full-year performance. For FY26, revenue from operations was Rs. 26,545 million compared to Rs. 15,407 million in FY25, representing a growth of 72.3%. EBITDA for the year was Rs. 4,903 million, up by 97.3% year-on-year, with EBITDA margins improving to 18.5% from 16.1% in FY25. Profit after tax was Rs. 3,041 million compared to Rs. 1,563 million last year, while PAT margins improved to 11.5% from 10.1% in FY25.

The improvement in full-year profitability was mainly driven by a 1.6% expansion in material margins, supported by backward integration initiatives and operating leverage benefits across manufacturing operations. Employee cost optimization and scale efficiencies also supported margin improvement during the year. Other operating costs remain under control overall, with increases in certain expense categories largely offset by savings and other operating efficiencies across the business.

Let me now briefly touch upon the balance sheet. As of March 31, 2026, our total assets were Rs. 23,436 million compared to Rs. 10,140 million in FY25. Total equity increased to Rs. 12,734 million from Rs. 3,968 million in the previous year, supported by the IPO proceeds and profit generated during the year.

Total gross debt was Rs. 4,615 million compared to Rs. 3,462 million in FY25. Despite the increase in borrowings towards ongoing capacity expansion and manufacturing investment, the balance sheet position improved during the year. Net debt-to-equity ratio improved to 0.25 as of March 2026 compared to 0.85 in FY25, reflecting the benefit of equity infusion through the IPO and repayment of debt using IPO proceeds.

On the working capital front, net working capital days increased to 83 days in FY26 compared to 71 days in FY25. The increase was primarily on account of higher inventory levels maintained during the year to support expanding operations. That concludes my remarks on financial performance. We can now open the floor for questions and answers. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Apoorva Bahadur from IIFL Capital. Please go ahead.

**Apoorva Bahadur:** Hi, sir. Congratulations on a very good set of numbers and thank you for taking my question. Sir, it would be great if you can provide some colour as to why the inventory increased very sharply this year?

**Prashant Gupta:** Yeah, thank you for your question. So, as you know that our capacity has been increased in the last year from, when we talk about solar panel, it increased from 1,039 megawatt to 1,639 megawatt, and power electronics from 1,143 megawatt to 2,180 megawatt. And in battery also, when we talk about lithium battery, manufacturing capacity increased from 45 megawatt hours to 545 megawatt hours.

Now to support this expansion while we are increasing our sales, we need to keep the inventory, right? So, I would like to highlight one point, the increase in inventory that you are seeing is mainly in the raw material side. If you see in terms of finished goods inventory days, it is close to the last year. But since we are opening new locations as we did in Dadri, in Noida also in last year, and recently in Ratlam, so that's why we are keeping the raw materials there to sustain to supply along with the increased demand.

**Apoorva Bahadur:** Okay. Sir, can you provide a split between raw material and finished goods inventory?

**Prashant Gupta:** So, out of Rs. 900 crores inventory and Rs. 500 crores plus belong to raw material and rest is my WIP and finished goods.

**Apoorva Bahadur:** Okay. And sir, of this Rs. 400 crores of finished goods inventory, is it possible to provide a breakdown into solar panels and batteries and other equipment?

**Prashant Gupta:** Right now, this information is not readily available with us, but generally, we consider inventory as SPGS in total package, solar power generating system. And we also do not give this segmentation in our financials also.

**Pawan Kumar Garg:** One thing is to note here because per watt cost of solar panel is higher than the battery and inverter, so most likely total inventory for panel will be higher side in comparison to inverter and battery. If we store same megawatt for inverter, same megawatt for battery, same megawatt for panel, then panel cost is higher side.

**Apoorva Bahadur:** Okay, understood, sir. And sir, you have also mentioned about the plan to install a 1.2 gigawatt TOPCon cell line with a capital expenditure of Rs. 350 crore. So, sir, can you help us with if this line, the equipment and all, have we already ordered and are these like absolutely new coming from the OEMs?

**Pawan Kumar Garg:** Actually, we have taken the quotations and we have compared that and we will give the order now because now we have taken the matter in the director meeting, then we have passed the resolution and now we will give the order, we will place the order. We have taken the quotation basically.

**Apoorva Bahadur:** And this is the all-inclusive cost for the facility, Rs. 350 crore?

**Pawan Kumar Garg:** Yes, sir.

**Apoorva Bahadur:** Okay, that's helpful. And sir, from the existing line which we commissioned this year, what is the exit utilization that we saw towards the end?

**Pawan Kumar Garg:** Now at present, we are running around 65%, but we are ramping up and we expect in a month or two it will be around 80%.

**Apoorva Bahadur:** Okay, sir. Sir, last question if I may ask. In your notes to accounts, you have mentioned two instances of BIS seizures. Can you help us understand, like, sir, what exactly did they pertain to and which equipment were seized in the sense that were it inverters, solar panels, or batteries?

**Pawan Kumar Garg:** We have around 500 SKUs and few of the SKUs in inverter and battery, these were under question from the BIS department. And as per our submission to the department, BIS was not mandatory on those SKUs and their submission was that it is required. But we have filed the reply to them. Out of 500, I think around 10 to 15 SKUs are there in the question.

**Apoorva Bahadur:** Okay, and largely related to inverters and batteries?

**Pawan Kumar Garg:** Yes.

**Apoorva Bahadur:** Okay, sir. Thank you. That's all from my side. All the best.

**Moderator:** Thank you. We will take our next question from the line of Anuj Upadhyay from Investec. Please go ahead.

**Anuj Upadhyay:** Yeah, hi, sir. Thanks for the opportunity and congratulations on a stellar performance. So, my first question belongs to your Ratlam capacity, the 2 gigawatt module which you have recently ramped up. So, how much revenue can this contribute to? And similarly, on the 1.2 gigawatt of cell line which has been planned out here, so what sort of revenue contribution as well as a margin expansion can be expected from this facility, sir?

**Pawan Kumar Garg:** Okay. In Ratlam facility, we have 2 gigawatt integrated facility including solar panel, inverters, and batteries, lithium-ion batteries. We can expect total revenue, peak revenue from this facility when all the lines will be fully operational and fully utilized, around Rs. 5,000 crore. We can go up to Rs. 5,000 crores in terms of revenue.

Regarding this TOPCon line, because ALMM 2 is coming very soon to continue our rooftop business, that is mandatory part for our business to accommodate all ALMM 2 requirements basically. That's why we have to go for additional cell like TOPCon cell line of 1.2 gigawatt.

**Anuj Upadhyay:** Okay. So, this Rs. 5,000 crores you mentioned is including the cell revenue or cell has a separate set of revenue? I mean, like, it can contribute separately?

**Pawan Kumar Garg:** Actually, regarding the cell, cell will not add the revenue because it is backward integration only. Backward integration improves the margins, not the revenue, sir.

**Anuj Upadhyay:** Okay. And sir, next question is basically how, we have already reached 8,900 plus kind of channel partner, and in the last call you had mentioned that we are seeking to cater to other geographies as well. So, any targeted channel partner number which we have in mind over next one or two years so that we can cover other market as well? And just a follow-up on if you can quantify how much of gigawatt in terms of rooftop we sold in the current fiscal, sir? Or megawatt, whatever number is there.

**Pawan Kumar Garg:** Okay. We have the twin-brand strategy basically. So, we are expecting double our channel partners even our second brand. And 50% of our area is untapped, basically it is starting phase, but if we go for fully operational all over the India, then we are expecting double channel partners in next three years, sir.

**Anuj Upadhyay:** That's very helpful, sir. And lastly, sir, which I was asking on the gigawatt part or megawatt, how much sales we have done if you can quantify that?

**Pawan Kumar Garg:** Okay. Now in last financial year basically just gone, so we have done 1 gigawatt plus like integrated SPGS sale in FY2025-26.

**Anuj Upadhyay:** 1,026 megawatt?

**Pawan Kumar Garg:** 1,000 megawatt plus including in. Actually, we had decided not to declare the segment-wise, but you can take aggregate 1 gigawatt SPGS sale.

**Anuj Upadhyay:** That's helpful, sir. I'll rejoin the queue for further questions. Thank you, sir.

**Moderator:** Thank you. Next question is from the line of Aniket Madhwani from Steptrade Capital. Please go ahead.

**Aniket Madhwani:** Yeah. So, I just wanted the clarification on your Bawal facility. So, a fire broke out on the facility. So, is it operational right now?

**Pawan Kumar Garg:** Right now, it is not operational, sir. It is suspended.

**Moderator:** We have lost the connection for the current participant. We will take the next question from the line of Sahil Sheth from Anand Rathi Institutional Equities. Please go ahead.

**Sahil Sheth:** Hi, sir. Congratulations on the great set of numbers. Sir, if you can share what would be our revenue mix in terms of Tier 1, Tier 2 and Tier 3 cities, and where do you see more opportunity in the coming years?

**Pawan Kumar Garg:** Okay. Our major sale is, sir, in towns and villages , in Tier 2, Tier 3 cities and towns and villages. In Tier 1, like we are now because we are adding on-grid solar sales now, so now Tier 1 will be added. Now onwards, Tier 1 we will focus Tier 1 also. But in the past, mostly our sale is Tier 2, Tier 3 towns and villages. And our focus will remain for towns and villages in the future also because mainly we are into backup-based systems mostly.

For on-grid also, we have hybrid system which can be used as off-grid as well as on-grid, which has the both the uses that it can export the electricity to grid also and it can give the backup in case of power failure. So, mostly our focus is in that area where power fluctuations are there, power outages are there. But along with that business, we are also focusing on on-grid business also where no power shortage is there.

**Sahil Seth:** Got it, sir. And sir, a follow-up to a previous question where you said the new 2 gigawatt Ratlam capacity will contribute around Rs. 5,000 crores of revenue. By when do you see?

**Pawan Kumar Garg:** That is peak revenue, sir, basically. That will be peak revenue when it will be fully utilized.

**Sahil Seth:** By when do you expect the capacity to be fully utilized?

**Pawan Kumar Garg:** We are expecting in the end of next financial year that will be fully utilized. Next financial year. Q4 2028 we can expect that fully utilized.

**Sahil Seth:** By end of FY2028?

**Pawan Kumar Garg:** Yeah, Q4 FY28, we can expect it to be fully utilized.

**Sahil Seth:** And sir, my last question would be, as you mentioned that you have just placed orders for your new 1.2 gigawatt TOPCon line for the equipment manufacturing equipment. Is the land for the same in the existing Ratlam facility or has it been acquired or is it in process of being acquired?

**Pawan Kumar Garg:** Same land, sir, which was already taken, sir.

**Sahil Seth:** In the same facility and would the Rs. 350 crore capex amount be excluding the land cost?

**Pawan Kumar Garg:** Actually, land cost is was around Rs. 18 crore, sir, basically including earlier like Phase 1 project and Phase 2 project, and some land will be, even we have extra land. So, land cost is not very high in this cell line, but it is excluding of land sir. Land cost even very marginal, but that is excluding of land, sir, because we have taken the land cost in Phase 1.

**Sahil Seth:** Okay. And sir, do we have any plans to upgrade our existing Mono PERC cell line to TOPCon?

**Pawan Kumar Garg:** Till now we have no such planning. After this ramp-up of TOPCon, whatever will be the market situation, we will decide. I think we are not required to change. At present, we think we are not required to change, sir.

**Sahil Seth:** Got it, sir. This was very helpful and all the best. Thank you.

**Moderator:** Thank you. Next question is from the line of Archit Agarwal from Steptrade Capital. Please go ahead.

**Archit Agarwal:** Yes, sir. Congratulations on good set of numbers. So, I have two questions. The first question is about the Bawal facility. So, the fire incident happened in the Bawal facility, so does it affect the capacity or is it still operational?

**Pawan Kumar Garg:** Temporarily it affects the facility capacity, but we have already made the alternate arrangements. Luckily at this time, for the lead-acid battery especially, there is huge capacity in the market, extra available. When we decided for starting of this facility, at that time extra capacity in the market was not available in the season time mainly.

And you can see this is the main season time, and we are experiencing, we can achieve even more than what we require from the market from third party. We have made third-party arrangements and that is done immediately because extra capacities are available in lead-acid battery because market is shifting towards lead-acid to lithium-ion battery.

**Archit Agarwal:** Okay. So, will it affect the margin?

**Pawan Kumar Garg:** Margins will have slightly effect, but we will cover through top line, adding extra top line because extra capacities are available in the market. There is marginal difference, if we go for third party, because we could able to achieve good prices from third party.

**Archit Agarwal:** Okay. And the second question is about; can you give the revenue bifurcation for this quarter? Like solar panel, battery, electronics for Q4.

**Pawan Kumar Garg:** Actually, sir, largely you can consider because panel prices are higher side comparatively in per watt if we see panel prices are higher side, but our electronics share is comparatively high. Then we can just estimate like 40%, 40%, 20%. Like 40% solar panel, 40% electronics, and 20% battery largely. It fluctuates because we are adding new areas, we are expanding existing areas. Depending on geographical situations and electricity fluctuations, this ratio deviates time to time. But largely at this time, we can consider 40%, 40%, 20%.

**Archit Agarwal:** Okay. That's all from my side. Thank you.

**Moderator:** Thank you. Next question is from the line of Himanshu Bisani from PinpointX Capital. Please go ahead.

**Himanshu Bisani:** Sir, the current year your revenue grew by 70%. Can you bifurcate that growth in volume and realization terms?

**Pawan Kumar Garg:** Means you want to know in gigawatt or like that or what?

**Himanshu Bisani:** Sir, the rooftop systems that you have been selling

**Prashant Gupta:** So, are you asking the per watt realization?

**Himanshu Bisani:** Yes, per watt or from a system perspective, whatever. So, growth from a price increase perspective and from a volume perspective is what I'm asking.

**Pawan Kumar Garg:** Largely if you see that like some of the components' prices gone up and some of the components' prices come down. And if you see if you want to, if we go for in terms of gigawatt, if our revenue is gone up 70%, then in gigawatt also it is around 70% up, sir.

**Himanshu Bisani:** So, it is mostly volume that is what you are saying?

**Pawan Kumar Garg:** Yes, volume increase, sir.

**Himanshu Bisani:** Okay, alright. Sir, on the competitive side, so there are so many players who have announced or forayed into rooftop solar market. How do you see the competitive intensity and also, sir, do you see a similar peer who has an integrated facility from cell panels to power electronics and also have a distribution as wide as ours?

**Pawan Kumar Garg:** Actually, sir, there is huge demand and huge opportunity in the market. If many people are coming because we alone cannot cater this opportunity because you can see that China is adding 60 gigawatt every year in rooftop solar. And we even don't touch even that number, cumulative number. And our population is more than China and our requirements are more than China because we have power outage also here and we have prices of power is higher side.

And in rooftop solar, if we consider this is the answer to crisis because if power is not there, if fan is not running, if light is not there, that is the necessity, not the ROI condition. Even along with meeting the emergency, it is giving good returns also. So, this is good.

A lot of opportunity, actually, awareness was not there because of subsidy-linked business, awareness is there. And because of that awareness, subsidy business is increased and non-subsidy business also increased a lot. There is huge opportunity in the market. If good companies are coming and good services they will provide to customer, there is huge opportunity.

**Pawan Kumar Garg:** Mr. Yogesh he is taking care of marketing. He will also like to add something.

**Yogesh Dua:** So, we are catering more towards Tier 2 and Tier 3 segments of Indian markets and we have been there in this market from very long time. So, making network here, making dealers, distributors, service engineers and the sales network, it really takes time.

So, everyone is coming and everyone is welcome but making proper arrangements for sales and service in Tier 2 and Tier 3 areas, it's really challenging. And we wish everyone the best of luck. And because there is good opportunity, so everyone can do business.

**Himanshu Bisani:** Understood. So, you're saying that opportunity is wide enough for even so then the competitive intensity is not that high right now.

**Pawan Kumar Garg:** Yes. If more number of people will come, like more number of customers will be like awareness will be there, sir. If more companies are coming, they will advertise and more awareness will be there, sir. And requirement will be more.

**Himanshu Bisani:** Understood. And just to continue on that, sir, that you are saying that it is such a big opportunity and government also has some ambitious targets of rapidly scaling rooftop market. How do you see your revenues and what is our guidance for coming in the medium term and for the current year, next current year?

**Pawan Kumar Garg:** In current year, our guidance is 50% up in revenue, sir.

**Himanshu Bisani:** 50% in revenue growth.

**Pawan Kumar Garg:** Yes, sir.

**Himanshu Bisani:** Okay. So, sir, just to consider that, so your existing facility plus the Ratlam facility that we have managed, what is the top-line potential completely that it can generate?

**Pawan Kumar Garg:** Like we have 1.5 gigawatt integrated capacities across battery, panel, and inverters, and Ratlam is adding 2 gigawatt additional capacity in integrated like inverter, solar panel, and batteries. So, we can achieve easily what is our guidance of 50% up, sir. Even we have the infrastructure for more revenue, sir.

**Himanshu Bisani:** Understood, sir. Thank you so much and I'll join back in the queue. Thank you.

**Moderator:** Thank you. Next question is from the line of Vinay Lakhera from RatnaTraya Capital. Please go ahead.

**Vinay Lakhera:** Hello. Yes, hi, sir. I had two quick questions. One is on the capacity utilization side. Can you please mention the approximate utilization we had in FY26 for all the five categories we have main, like panels, power electronics, and others?

**Prashant Gupta:** Sir, it is generally 70% to 80%, just to give you a range on each side. It is generally 70% to 80% of the available capacity. In lithium battery, we are catching up, but in the rest of the segment, it is 70% to 80%.

**Vinay Lakhera:** Okay. 70% to 80% for all the others, right?

**Prashant Gupta:** I'm giving you a range because all the products are in that range only. And in Lithium batteries we are catching up with that number.

**Vinay Lakhera:** So, in terms of the new facility, Ratlam facility, how will it ramp up this capacity utilization? Can you just throw some light on that for the next few years? What could be the capacity utilization for these capacities?

**Pawan Kumar Garg:** For Ratlam facility, in coming year, we are expecting 50% utilization and for next financial year, we by ramping up in last quarter, we are expecting around 80% utilization.

**Vinay Lakhera:** That is for the all categories, right?

**Pawan Kumar Garg:** Yes, all the categories.

**Vinay Lakhera:** Okay. And my next question is on the receivable side. So, from where are we getting this account receivable part? Like can you just split it in terms of the customers? Because for the retail, it would be upfront, right, the payment?

**Prashant Gupta:** Sir, we supply to the distributors and distributors further supply to the dealers and then dealers and our shoppe supply to the end customers. So, we get our receivables from distributors only. Now, I think you are asking that whether the end consumers directly pays us, so that is not the case. The end consumer pays to the dealers and dealers pay to the distributors and we receive the funds from the distributors. And our revenue cycle is around 14 days, I believe for this year.

**Vinay Lakhera:** Okay. And like who reaches the customer? So, for example, if I'm the customer, how will I decide with which brand should I go with? Do you have like any push in terms of marketing or all those things for the brand visibility?

**Yogesh Dua:** Sir, the main point here is that if I have someone who has installed solar system in nearby my house or any relatives or my friend has installed, so I will check whether this system is working well, then I will ask the brand and then I will decide that I should go for this. Main reason behind this is that this is huge investment for a person who's living in Tier 2, Tier 3 city, so they check the references and then decide upon the brand.

**Vinay Lakhera:** Yes. So, on the customer side, like do we have any long-term contracts with these pure EPC players?

**Yogesh Dua:** See, once a distributor is added, so that continues to do business with us because we are having a set of 500 SKUs and this is the need he mostly has because he has a wide range of customers living in villages, towns, cities, industrial customers, and their business customers. So, we have all range to cater his needs, so he never generally leaves us. He continues.

**Vinay Lakhera:** So, these pure EPC players come under distributor only, you are saying?

**Pawan Kumar Garg:** Yes, sir. Agreements are piece of paper only. It is relationship, sir. Many of the distributors are from starting, 15 years, 20 years, 25 years. So, it is relationship, sir.

**Vinay Lakhera:** Okay, got it. Okay, thanks a lot.

**Moderator:** Thank you. Next question is from the line of Sagar Shah from Spark PWM. Please go ahead.

**Sagar Shah:** Yes, first of all, congratulations to the entire team of Fujiyama for hosting such great set of numbers. Hello, Pawan ji. Hello, Prashant ji. Hope you doing well.

**Pawan Kumar Garg:** Thank you, sir.

**Sagar Shah:** Yeah. So, sir, my first question was related to our Ratlam facility. Sorry to harp on again on this one. So, in this quarter, sir, how much revenue of the total revenue that we generated in this quarter of around Rs. 9,010 million, how much was from Ratlam, sir? I think you have commissioned the solar panels facility here.

**Pawan Kumar Garg:** Sir, this is just commissioned basically and it will contribute in this quarter, sir, not last quarter, sir.

**Sagar Shah:** Okay. So, right now the growth that we had got in this particular quarter, such healthy sequential growth as well as YoY growth, so can you highlight that which of the facilities actually contributed to this growth? Was it Dadri, was it Greater Noida? Which capacity and which product line did very well actually for you to clock such healthy growth, sir, in revenue terms as well as in the bottom line actually?

**Pawan Kumar Garg:** Actually, sir, we can say it is Noida factory. It is integrated factory. Lithium-ion battery is there, like inverters, all the range of inverters, off-grid, on-grid are there, and some of the solar panel lines also there. So, if we can say, so number one is Noida and then if we can say, then number two will be Dadri.

**Sagar Shah:** Okay. So, is this safe to assume, sir, that we are running at these numbers at we are running at optimum capacity utilization in the four plants that we have? This is the best capacity utilization numbers?

**Pawan Kumar Garg:** Yes, sir. If you can see that last quarter, we have done 900 and in March alone we have done 400, sir. So, you see that I think if we consider the March, it is fully utilized, sir, more than fully utilized.

**Sagar Shah:** Okay, okay. Sir, my second question was related to the southern region. The new facility, Ratlam facility that we'll be ramping up in FY27 and FY28 and the growth will be largely visible from this factory actually and also from the TOPCon cell facility which is naturally integrated in the modules. But what I wanted to understand that the new states that you are venturing into with the help of this facility, I'm talking of Karnataka, Andhra Pradesh, Telangana.

So, basically, what is the status now? Have you done that demand feasibility there? How's the demand-supply situation? How are the competitors placed there? Because this is a different geography as what as compared to what we were in UP, in Noida. These are very mature states for you because you have a very strong position here.

But these are new states for you where already competitors are there, so the pricing pressure will also be there. So, what I wanted to understand that how should we look in the southern region actually? Can you explain the demand-supply dynamics somewhat their demand feasibility there?

**Yogesh Dua:** Yes, sir. Sir, actually, if you see our growth from last year to this year, it is a growth on every state. It is not only in some states. UP is our best state and still it is growing on. See, the demand in UP is really high because of the population, because of the conditions there. Still, if we study the turnover increase, if we study the number of distributors, number of dealers and number of Shoppe increase, it's everywhere equal.

So, everywhere we are expanding and also towards geographical expansion we are working. And from last year to this year, we have added Odisha as well as Andhra Pradesh from special focus to growing right now. And Assam was a potential state for us, now it is our special focus state. So, it is growing geographically as well.

Demands there is mostly for southern states, the demand is for on-grid or hybrid kind of systems. And in Assam and West Bengal, the demand is towards hybrid as well as off-grid. So, we have done studies there and we are also finding distributors there.

**Sagar Shah:** Okay. So, but how is the consumer demand, sir? I mean, how is the demand that you are actually witnessing there? Is it the same as UP? Can you explain a bit little more about that?

**Yogesh Dua:** Sir, demands are on-grid demand is driven by the subsidy given by the Central Government and State Government. And because of this awareness, the demand of hybrid as well as the off-grid is also there. So, we have studied these demands, we have mapped the distributors we can appoint in areas, so we are working on that. So, we are very confident that the proposed turnover is easily achievable.

**Moderator:** I'm sorry to interrupt, Sagar. You may please rejoin the queue for more questions. Next question is from the line of Saksham from Dymon Asia. Please go ahead.

**Saksham:** Yes, thank you for the opportunity and congratulations to the management for an extremely good quarter. Sir, I have just one question. How do you see the cell production ramp-up? I know you have already explained, but if you could highlight more on the profitability front, that would be really helpful, sir. If you could quantify on the numbers.

**Pawan Kumar Garg:** Repeat, sir, please question.

**Saksham:** Like you have already mentioned about the production ramp-up. Could you more highlight on the profitability, how the company will be profitable because of this production ramp-up? If you could quantify on the numbers.

**Pawan Kumar Garg:** Okay, sir. Actually, it is definitely because like DCR was main challenge for the company if we see the past, because cells were not available. And definitely in-house production of cells, like good margins are there. But like we are not totally focusing on margin, we are more focusing on customer acquisition. You can see that number of distributors and number of dealers we are acquiring quarter-on-quarter basis because we are passing some of the margins to customers also basically.

So, definitely margins for the DCR is higher side, but we are not keeping all the margins in our pocket, we are diverting that margin to customers so that we can acquire more and more customers. Basically, ALMM 2 is coming and because of that ALMM 2, ALMM 2 is meant for other than rooftop business, all grid-connected systems will require DCR solar cell.

Because of that, I think some margins are likely to be increased and we are expecting but there are other variables also in the market, like inflation is increasing and other we can see non-DCR margins on non-DCR side is slightly decreasing. So, we can say that we will maintain stable to improve, we will go for stable to improve side overall margins basically.

**Saksham:** Understood, sir. All the best for the next year, sir. Looking forward to it.

**Moderator:** Thank you. Next question is from the line of Lovish from Burman Capital. Please go ahead.

**Lovish:** Yeah. So, my question is pertaining to the BIS inspection. I know you answered it earlier, but my question is slightly different. So, given the inspections that we had, what are the nature of penalties that the BIS department could apply, if any? And also, are there any similar inspections that have taken place at your peers or competitors?

**Pawan Kumar Garg:** Okay, sir. Actually, this will be decided by the court now. And provisions we have checked with legal team, the provisions are maximum what is the penalty maximum is equal to seizure value, sir, basically. Maximum penalty. But in our case, it will not go up to that level because their questions and our submissions are fair enough to settle down the situations and we hope we will not face any penalty.

**Lovish:** Got it, sir. And sir, have similar inspections occurred at other facilities of your competitors?

**Pawan Kumar Garg:** No, sir. We have not such information any.

**Lovish:** Got it, sir. And sir, just one high-level question also. Does this inspection impact our ability to ramp up the new facilities that we have in Dadri and Ratlam? And also, does this impact our participation in the PM Surya Ghar scheme?

**Pawan Kumar Garg:** No, sir. Because there is no such because out of 500 SKUs, only 10 to 15 SKUs are in their questions. So, it will not affect anyway, sir

**Lovish:** Got it. So, sir, just to summarize, this means that even if in the worst-case scenario, it will not have a material impact on your operations.

**Pawan Kumar Garg:** Yes sir.

**Lovish:** Got it. Thank you, sir.

**Moderator:** Thank you. Next question is from the line of Darshil Jhaveri from Crown Capital. Please go ahead.

**Darshil Jhaveri:** Hello. Good evening, sir. Thank you so much for taking my question, sir. Firstly, sir, congratulations on a great set of results, sir. Sir, we have given guidance for 50% growth. But if I look at our Q4 revenue, if we annualize it, it will still be 50% growth. So, I just wanted to know, sir, whether we have a seasonality here or are we giving conservative guidance?

**Pawan Kumar Garg:** There is a little bit of seasonality, sir. The last quarter is a little more. Last quarter, if we bifurcate next year, so we can consider like Q1 900 around, Q2 800, then Q3 800, then 1,500.

**Darshil Jhaveri:** Sir, margins, I am asking that we are right now, I think, FY26, we did around 18% margins. So we want to maintain that only or because of all the leverage, we should be able to do better, sir?

**Pawan Kumar Garg:** It will be sustain to improving, sir.

**Darshil Jhaveri:** Okay, fair enough, sir. And sir, I just wanted to understand what the competition is like right now, a lot of capacities are coming online in FY27, so do you think there will be some kind of, you know, price competition that might force us to compromise on margins a little bit or make, you know, revenue a little more difficult? What do you think? What do you feel about competition, sir?

**Pawan Kumar Garg:** Sir, look at the competition you're talking about., that is mostly ground-mounted business basically. And in rooftop business, like in product mix like inverter, solar panel, DCR cells, and like batteries, we don't think so, sir. Because if any of the product is facing challenges due to competition, the other product also giving good premium, sir.

We have product mix, very good product portfolio and very big range of products. Few of the products anytime give more competition, but few of the products give good margins also. We have few of the products which are, that is only with us, sir. No one has those products, few of the products are like that. And like our range of Sigma, that is hybrid solar PCU, those are proprietary items for the company.

So, those products are and we are also working for coming requirements like residential and industrial BESS systems. So, those systems we are working on those systems which are future requirements. So, market is changing every time, applications are changing every time, and we are working in advance. So, it will give us well comfort to maintain our margins, sir.

**Moderator:** Thank you. Next question is from the line of Ashish from Leo Capital. Please go ahead.

**Ashish:** Thank you, sir, for taking my questions. Sir, could you explain how Fujiyama's market share measured as a percentage of the solar rooftop segment in megawatt has evolved from, let's say, FY21 to last year, FY26?

**Pawan Kumar Garg:** There are two segments, sir. One is on-grid or one is off-grid basically. On-grid data are available with government agencies, but off-grid data is not available with government agencies. And overall, when there was like CARE research during the industry research, that our market share in inverters was around more than 10%, and we hope we are sustaining or improving that market share, sir.

**Ashish:** Okay, so off-grid you don't have exact numbers.

**Pawan Kumar Garg:** Exact yes, there is not exact with any of research agencies or like exact numbers are not there, sir.

**Ashish:** Can you give your sales volume from FY21 in solar panels in FY26 so that we get an idea?

**Pawan Kumar Garg:** Solar panel FY21 we don't had the like in-house capacity at FY21, I think I have to cross-check also.

**Ashish:** No, but general sales.

**Pawan Kumar Garg:** Yes, sir. So, at that time very little contribution was from the solar panel because solar panel prices were very high at that time. Gradually our in-house manufacturing capacities ramp up and solar panel prices are coming down. So, this contribution of solar panel increase time to time, sir, basically.

Even at present our like electronics volume in terms of gigawatt is just double from the solar panel. If we consider how many gigawatt solar panel, we sold and how many gigawatt inverter we sold, our inverter gigawatt is double basically at present.

**Ashish:** So, but sales volume of solar panels in FY26?

**Pawan Kumar Garg:** Revenue for solar panel is higher size because per watt solar panel cost is higher, inverter cost is lower in general.

**Ashish:** Sir, I think, I mean, sir, in megawatt, how much sales did we do in FY26?

**Pawan Kumar Garg:** Sir, I mean, we want to avoid details because of competition. We got some remarks that competition is watching it very closely. So, we want to avoid it segment-wise. But overall, in the last financial year, 1 gigawatt as an integrated solution.

**Ashish:** Okay, sir. Thank you. Sir, you said that there's room for everyone to grow, so I think from the investor community if you could share little more data around sales volume it would be better?

**Pawan Kumar Garg:** Sir, look, there are some close competitors and some newcomers. So, you have to look at both. Newcomers are okay, but the close ones, you have to look at your business as well.

**Ashish:** That's right, sir. Alright. Thank you, sir.

**Moderator:** Thank you. Next question is from the line of Sanjay from Mapersand. Please go ahead.

**Sanjay:** Yes. Two quick questions. One, again regarding that inventory which has gone up. Is that kind of an indication of the kind of revenue growth that you are looking at? Because inventory day-wise it is up almost 50%-60%. And at the same time, you are not really looking at a higher revenue in Quarter one compared to Quarter four?

**Prashant Gupta:** Sir, part of your question is correct. We are as another investor also asked the same questions at the start of the call. So, if you see our inventory days, it has gone up in the raw material side. So, part of your question is correct that we are building our raw material inventory to scale up to meet the demand in the coming quarter.

Because on the FG goods side, if you see our inventory days are on similar lines of the previous year. And apart from that, we have opened new locations in current year. We have opened new locations including our cell plant in Dadri, which is mainly backward integration if you see.

And 1.2-gigawatt line is there in the for solar panel in Dadri itself. Apart from that, there is our capacity extension in the Noida as well. And recently, we are also started purchasing inventory for Ratlam as well.

**Sanjay:** But with all these things, once it gets over, will your inventory day, which has gone up from some 120 to 180, should one expect that to go back to 120 days or not?

**Pawan Kumar Garg:** Yes, definitely it will come down, sir, along with time. When we go in the history we have seen, whenever we gone for backward integration, our inventory days gone up because we have to take care of raw material, we have to take care of FG also. Like if we consider solar cell, we have to take care of raw material for solar cell and we have to take care of solar cell imported from China.

So, we have to maintain both the inventory. But later on, when it is fully ramped up and it is fully utilized, it comes down. In history, we have seen the trend, sir. And for Ratlam facility, whatever inventory we have collected in March, that is because line is not started in March, so that is additional inventory. And when line will be started, number of inventory days will come down automatically, sir.

**Moderator:** I'm sorry to interrupt, Sanjay. You may please rejoin the queue for more questions. We have other participants waiting for their turn. Thank you. Next question is from the line of Deekshant from DB Wealth. Please go ahead.

**Deekshant:** Hi, sir. Congratulations on the numbers. My first question is basically what is the sort of profitability that we can look on exact percentage terms? Right now, we are around at 11.45%, 11.5% PAT margins for this year. So, what kind of PAT margins are we hoping for? I'm talking in the terms of 12 months, 24 months, 36 months, what you can guide us?

**Pawan Kumar Garg:** Sir, for coming year, you can consider the guidance 11% to 13% basically for PAT margin. The reason is if in any case, because we have DCR cell, we can earn more margin, but we don't think that we will keep in pocket. We will transfer the margins to customer to acquire more customers. Because we are giving integrated system, not alone cell or not alone panel.

We are providing an integrated system comprising of solar panel, inverters, batteries, and we have big distribution network. So, we have to take care of every partners. Distributors and dealers are also partner. So, if we are sharing the margins, we can increase our distribution network, sir.

**Deekshant:** Sir, I completely get it and I mean what you're doing is clearly showing results. So, kudos to you on that. But like today in 12 months, we are thinking that we can get 11% to 13% margins, but once our moats are stronger in terms of distribution, let's say 24 months from now or 36 months from now, then do we see an improving and accelerated trend of our margins?

What I mean to say that let's say that in 36 months do we think that the peak margins is going to be 13% or 14% or what would you think, what's your aspiration? That's one part of the question. And second is on promoter holding. Do you in the next 12 to 24 months think that you are going to raise some money and sell promoter holding? That's it from my side, sir.

**Pawan Kumar Garg:** Okay. Regarding second question, in next 12 months, we have no proposal for promoter holding to reduce promoter holding or raise any money in next 12 months. In first question, sir, because PAT margins depend on many things. Mainly it is demand and supply basically which drives the margin. But in our case, we are not just equipment manufacturer or supplier, we are the solutions provider basically.

So, integrated system along with services from our network, it can maintain this margin definitely because including of power electronics item, batteries, and solar panel all together along with services of installation and after-sales service. We see margin definitely; we are in in a general view it seems improving time to time.

**Deekshant:** So, sir, just for clarity, you're saying in 36 months, three years from today, can we foresee that our margins are going to be more than 13%, 14% or do you think that we are a 12 to 13% margin business? Because competition will also come, our moat will also be there, new product mix will be there, you will perform great, but overall, the way that we are modeling our business, what kind of margins do you think that for a longer term our business plan fetch us?

**Pawan Kumar Garg:** Look, Sir, we are currently working on a wide range of initiatives. Specifically, we are leveraging AI right now to bring our operational expenses under significant control. We have already mapped out various processes using AI specifically to reduce costs associated with both our services and our sales operations. So, definitely and as we continue to scale up our profit margins are bound to expand.

Now, the key consideration here is how we prioritize our focus: should we aim to significantly multiply our revenue that is, concentrate more on the top line or should we place greater emphasis on the bottom line. We strike a balance in this regard; though generally speaking and here, sir, I am simply outlining the standard industry practice, this is how it works.

If at any given time, we encounter constraints in our manufacturing capacity a situation that is common across the industry, not unique to us we tend to slightly increase our profit margins during that period. This ensures that, even if the top line revenue falls short for any reason, our bottom-line profit remains healthy. Conversely, when we have ample manufacturing capacity at our disposal, we shift our focus primarily to the top line.

In such instances, the 'bottom line' tends to take care of itself; even if the profit margin when viewed as a percentage deviates slightly, the absolute value of the profit increases is there. I believe this constitutes a prevailing industry trend observed across the board, it is not a phenomenon exclusive to Fujiyama, but rather a standard practice followed by everyone in the sector.

**Deekshant:** Thank you so much for the clarity, sir, and amazing execution, sir. All the best to the team.

**Pawan Kumar Garg:** Thank you, sir. Thank you.

**Moderator:** Thank you. That was the last question for today. I would now like to hand the call back to the management for closing comments.

**Pawan Kumar Garg:** Thank you once again for joining us today and for giving continued interest in Fujiyama. Many questions provide deep insights and we have noted those to work again. We appreciate the confidence you place in our company.

If you have any additional questions, please feel free to reach out our Investor Relations Advisors, 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 very much. On behalf of Motilal Oswal Financial Services Limited, that concludes this conference. Thank you all for joining us today 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.

2. Figures have been rounded off for convenience and ease of reference.