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CM RATING 45 /100

Fujiyama Power Systems

One-stop shop for roof-top solar solutions

Present across the value chain of the roof-top solar industry

Fujiyama Power Systems is a manufacturer of products and solution provider in the roof-top solar industry, including on-grid, off-grid and hybrid solar systems. It manufactures solar panel manufacturing, solar inverter manufacturing (covering on-grid, hybrid, and off-grid solutions), and both lead acid and lithium-ion battery production.

The company has a comprehensive product portfolio in roof-top solar segment. It offer an extensive range of products including solar power conditioning units (solar PCUs), solar off-grid, on-grid and hybrid inverters, solar panels, pulse width modulation (PWM) chargers and other battery chargers, lithium-ion and tubular batteries, online uninterruptible power supply systems, offline UPS systems, solar management units and solar charge controllers, among others which the company believe provide value-for-money to its customers. Further, in the EV segment, it specifically provides chargers for three-wheeler electric autorickshaws (e-rickshaws) and lithium-ion batteries.

The company offers over 522 SKUs with various combinations that can be tailored to meet the specific preferences and requirements of the customer and their location, for example its hybrid charge controller units are engineered to efficiently run direct current (DC) loads, such as with telecom equipment, and its off-grid inverters are designed for regions with limited or no access to grid power and are ideal for remote areas.

It has developed its own battery management system (BMS), designed to effectively monitor and ensure the safety of its batteries, making it well suited for current and future market requirements. Its online solar PCU is a blend of solar inverter and online UPS and can operate on solar power, thereby ensuring uninterrupted operation of critical loads in case of power supply failure. Similarly, its off-grid inverter, with inbuilt lithium-ion battery, does not require additional components like battery cabinets and interconnecting cables makes it easier to install and reduces the overall installation cost. Its indigenously developed rMPPT technology rapidly optimises solar output to harness more solar energy from the same solar panels and was granted a patent in January 2024.

The products are certified to meet the quality and performance standard prescribed by the Ministry of New and Renewable Energy (MNRE), the Bureau of Indian Standards (BIS) and state nodal agencies (SNAs).

About 42.96% of the revenue from operations in FY 2025 was accounted for by solar panels, 20.58% from batteries, 29.83% from inverter chargers and UPS and balance 6.63% from services and other operating income.

The company is primarily a B2C company selling its products through its expansive network of distributors, who further sell them to dealers and franchisees. Its distribution is majorly through dealers and franchisees. It directly supplies large orders to industrial and commercial customers. The arrangements with distributors and franchisees are typically for a period of five years, respectively, and renewed periodically. The distributors are not permitted, directly or indirectly, to sell any other product similar as the products and/ or services within the designated territory.

As on June 30, 2025, the company had an extensive pan-India distribution network of 725 distributors and 5,546 dealers and 1,100 exclusive UTL solar 'Shoppe' franchisees. Franchisee partners house various products and educate customers on selecting and purchasing the right rooftop system and components from a single source, ensuring seamless procurement and professional installation.

The extensive distribution network including UTL Shoppe ensures widespread accessibility and empowers local entrepreneurs to drive renewable energy adoption. Its comprehensive services such as installation, subsidy assistance, training of its dealers and technicians and post-sales support aim to ensure complete customer satisfaction. Retail sales accounted for 89.53% and 78.17% of revenue from operations in FY2025 and FY2024, respectively.

The company sold 1,727,114 (757.37MW) solar panels, 662,393 (1,544.09 MW) solar inverters and 925,776 (1,875.10 MWh) batteries in the last three financial years and the three-month period ended June 30, 2025, respectively, and contributed over 1 GW+ of off-grid, on-grid, and hybrid solar rooftop installations across India.

The company also exports its products and solutions to the USA and a few countries in Asia, including Bangladesh and the UAE. Export sales account for 2.45% and 4.19% in FY2025 and FY2024, respectively.

The company currently operates four manufacturing facilities at Greater Noida (UP), Parwanoo (HP), Bawal (Haryana) and Dadri (UP). The Greater Noida facility had an available installed capacity of manufacturing 656,547 solar panels, 387,504 solar inverters and UPS, 309,504 e-rickshaw chargers and 7,488 lithium-ion batteries end March 2025. The Parwanoo facility has an available installed capacity of manufacturing 51,917 solar PCUs and UPS in FY2025. Its battery plant in Bawal has an available installed capacity of manufacturing 439,296 tubular batteries and 195,669 solar panels. Similarly, the Dadri facility, which commenced operations on 23 March 2025, has an available installed capacity of manufacturing 20,060 solar panels. At its Dadri facility, the company added 600 MW capacity for solar panel as of 31 March 2025 and another 600 MW capacity for solar panel as of 01 October 2025. Additionally, the company installed another 600 MW solar inverter and 500 MWh lithium-ion battery line at its Greater Noida facility on 15 June 2025.

The company is establishing a 1GW solar cell manufacturing line at its Dadri Facility as part of the backward integration in the solar panel value chain to address the demand for DCR cell-based solar panels. It is expected to be completed by January 2026.

The company is establishing an integrated project to manufacture solar inverters, solar panels and lithium-ion batteries at Ratlam (MP). The project will grow its manufacturing capacity of lithium-ion batteries by 2,000 MWh, and of solar panels and solar inverters by 2,000 MW each.

The issue & object of the offer

The issue comprises both fresh issue of equity shares of Rs 1 face value, aggregating Rs 600 crore, and offer for sale of 1,00,00,000 equity shares by promoters (50,00,000 equity shares each by Pawan K Garg & Yogesh Dua).

Of the net proceeds from the fresh issue, the company intend to spend Rs 180 crore towards part financing the cost of establishing the manufacturing facility at Ratlam and Rs 275 crore towards repayment and/or prepayment of all or a portion of certain outstanding borrowings availed by the company and balance for general corporate purposes.

Outstanding borrowing as on 30 September 2025 stood at Rs 687.654 crore.

Strengths

UTL Solar and Fujiyama Solar, the two brands of the company, have strong brand recall. UTL Solar has a legacy of 29 years.

Presence across the entire value chain of the roof-top solar industry, i.e., developing and manufacturing products and solutions with a pan-India distribution network and post-sale service capabilities. It provides a unique proposition of being a 'one-stop shop' for roof-top solar solutions.

Has a track record of being one of the few companies in India to develop online UPS with single card, combo UPS along with automatic voltage regulation (AVR), and high frequency online UPS and single card surface mount technology (SMT) inverter in India.

The company offers over 522 SKUs which can be tailored to meet the specific preferences and requirements of customers and geographical location, reducing dependency on any single product category, ensuring resilience against market fluctuations and steady revenue growth.

Quality-centric and precision-driven large scale manufacturing infrastructure is driving production efficiency.

Favorable government policy supporting the growth of the solar power and roof-top solar industry.

Weaknesses

All manufacturing facilities are in northern India resulting in geographical concentration.

Restrictions or import duties relating to materials and equipment imported for manufacturing operations as well as import duties levied on products in the export market may adversely affect business prospects. The company roughly imports about 25-26% of its total purchases in FY2025 and FY2024.

Prices of solar panels continue to slide due to technological evolution as well as market oversupply scenario in case of modules/cells.

Customers benefit from various government subsidies. In the event of such subsidies not materializing, the Central or state governments not approving the entire subsidy amount or adverse changes in the availability of subsidies can increase the cost of investment and adversely impact customers' affordability of products, thereby impacting overall sales.

Derives a substantial portion of its retail sales from Uttar Pradesh. UP and top 5 states accounted for 35.61% and 71.97% of its FY2025 retail sales.

Witnessed negative cash flow from operating activities in the three months ended 30 June 2025.

Statutory auditors have included certain observations in their auditor's reports on audited financial statements for FY2025 and FY2024,

Exchange rate fluctuations may adversely affect the business, results of operations and cash-flows.

Has entered many related-party transactions and may continue to enter related-party transactions in future on an arm's-length basis

Valuation

Consolidated re-stated sales stood higher by 67% to Rs 1540.68 crore in FY 2025 on account of an increase in sales of solar products, including solar panels, solar inverters and batteries. With the OPM expanding a strong 540 bps to 16.1%, the growth of OP was 152% to Rs 248.52 crore. After accounting for higher other income as well as lower interest and depreciation cost as proportion to sales, PBT was up by 240% to Rs 213.12 crore. Finally, profit after MI was up 245% to Rs 156.34 crore.

Sales were Rs 597.35 crore and net profit after MI was Rs 67.59 crore in the quarter ended June 2025.

On an expanded equity (at the upper price band) the EPS for FY2025 was Rs 5.1. The P/E at the upper price band works out to 44.7 times the FY2025 EPS. The company quotes at a P/BV of 6.6 times. The company trades at EV/sales 4.8 times on FY2025 sales.

Though not an apple-to-apple comparison, Premier Energies, an integrated solar PV manufacturer, with an operational capacity of 5.1 GW of solar module and 2 GW of solar cell capacity, quotes at PE of 49.6 times its FY2025 EPS. Waaree Energy, an integrated solar PV manufacturer with an operational capacity of 15 GW of solar modules and 5.4 GW of solar cells, quotes at PE of 51 times of FY2025 EPS. Vikram Solar, with an operational capacity of 4.5 GW of solar PV modules, quotes at PE of 81.8 times of its FY2025 EPS. Similarly, Saatvik Green Energy, with a solar PV module capacity of 3.7 GW, quotes at PE of 27.9 times of FY2025 EPS. Websol Energy Systems, a small player with an installed capacity of 0.6 GW of solar modules and 0.60 GW solar cell capacity, quotes at PE of 35.8 times. Insolation Energy, which has 4GW solar PV module manufacturing capacity, quotes at PE of 30 times its FY2025 EPS. Solar EPC including rooftop solar

project players like Oriana Power, Sterling & Wilson and KPI Green quote at PE of 36.2 times, 66.1 times and 29.9 times of their FY2025 EPS, respectively.

Waaree Energy, Vikram Solar, Premier Energies, Websol Energy Systems, Saatvik Green, Insolation Energy, Oriana Power, Sterling & Wilson, Exicom Telesystems and KPI Green quote at EV/sales of 6.2 times, 3.4 times, 7.1 times, 9.7 times, 3.0 times, 2.7 times, 6 times, 0.9 times, 2.7 times and 6 times, respectively, of their FY2025 sales.

Fujiyama Power Systems : Issue Highlights	
Fresh Issue (Rs crore)	600
Offer for sale (in nos.)	10000000
Price band (Rs.) **	
Upper	228
Lower	216
Post-issue equity (Rs crore)	
in Upper price band	30.64
in Lower Price Band	30.79
Post-issue promoter (including promoter group) stake (%)	87.84
Minimum Bid (in nos.)	65
Issue Open Date	13-11-2025
Issue Close Date	17-11-2025
Listing	BSE, NSE
Rating	45/100

Fujiyama Power Systems : Re-stated Consolidated Financials				
	2303 (12)	2403 (12)	2503 (12)	2506 (3)
Sales	664.08	924.69	1540.68	597.35
OPM (%)	7.8	10.7	16.1	17.7
OP	51.60	98.64	248.52	105.89
Other income	1.24	2.51	9.42	0.44
PBIDT	52.84	101.15	257.94	106.33
Interest	15.43	25.74	26.83	9.39
PBDT	37.42	75.41	231.11	96.95
Depreciation	5.94	12.81	17.99	7.01
PBT	31.48	62.60	213.12	89.93
EO Exp	0.00	0.00	0.00	0.00
PBT after EO	31.48	62.60	213.12	89.93
Tax	7.11	17.30	56.79	22.35
PAT	24.37	45.30	156.34	67.59
Share of Profit from Associates	0.00	0.00	0.00	0.00
Minority Interest	0.00	0.00	0.00	0.00
Net profit after MI	24.37	45.30	156.34	67.59
EPS (Rs)*	0.8	1.5	5.1	8.8
* on post IPO fully diluted equity (on upper price band) of Rs 30.64 crore. Face Value: Rs 1				
EPS is calculated after excluding EO and relevant tax				
Figures in Rs crore				
Source: Capitaline Corporate database				