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Submersible Cable



Oswal Pumps to set up 1.2 GW TOPCon solar cell manufacturing facility; deepens backward integration across the solar value chain

Karnal, Haryana, 10th October 2026: Oswal Pumps Limited, one of India's leading manufacturers of solar pumping systems, solar modules and electric motors, today announced that the Board of Directors of its wholly owned subsidiary, Oswal Solar Energy Private Limited ("**OSEPL**") has approved plans to set up a 1.2 GW solar cell manufacturing facility based on TOPCon (Tunnel Oxide Passivated Contact) technology.

The commercial production is expected to commence by April 2028. The entire output is intended for captive consumption by OSEPL's in-house solar module lines. It is intended to secure a steady, reliable supply of DCR cells and reduce the Company's exposure to spot-market price volatility and supplier-driven commercial terms. It will also extend OSEPL's value addition from module assembly into cell manufacturing. Together, these benefits are expected to strengthen the group's cost structure, competitive positioning in Government-backed programmes, and profitability at the consolidated level over time.

Key benefits to Oswal Pumps

- **ALMM List-II compliance:** Assured access to ALMM-compliant domestic cells for modules supplied under PM-KUSUM, PM Surya Ghar, rooftop and other government-linked projects, protecting the company's order book eligibility
- **Security of supply:** Reduced dependence on third-party and imported cells at a time when domestic cell availability is constrained
- **Cost competitiveness:** Lower input costs and freight, strengthening the company's position in price-competitive government tenders
- **Technology leadership:** TOPCon cells deliver higher efficiency and energy yield, enabling higher-wattage, premium modules
- **Quality control:** End-to-end control of cell and module quality, improving reliability and warranty performance of solar pumping systems
- **Execution agility:** Faster turnaround on large orders, supported by in-house supply of cells and modules

The total project cost is estimated at approximately ₹456 crore. Of this, about ₹296 crore is proposed to be funded through debt. The balance of ₹159.85 crore is proposed to be funded from the unutilised IPO proceeds of ₹163.04 crore, which were originally earmarked for the Aluminium Frame Facility, the remaining 300 MW EVA Encapsulant Facility and the remaining 500 MW Solar Module Facility through infusion in OSEPL. It is proposed to deploy the Net Proceeds towards the aforementioned solar cell manufacturing facility by Financial Year 2028.

The Board of Directors of the Company in its meeting held today, *inter-alia*, approved variation in the objects/ terms of utilization of the IPO proceeds and modification of the time limit for the utilisation of the IPO Proceeds, subject to the receipt of requisite statutory/ regulatory approvals including the approval of the Shareholders of the Company.

Strategic rationale

The Company evaluated long-term sourcing arrangements with established domestic cell manufacturers, including multi-year off-take commitments. The commercial terms available, covering both pricing and upfront security deposit requirements, were not aligned with the Company's assessment of long-term value or its approach to prudent working capital management. This puts both availability and cost of the key input outside the Company's control, a strategic exposure for a business anchored to DCR-dependent programmes (PM-KUSUM, PM Surya Ghar). A comparative evaluation found that setting up captive cell manufacturing capacity was the more economically viable option.

Backward-integrating into cell manufacturing directly addresses this: it secures supply, insulates OSEPL from spot-price and deposit demands, deepens value addition from module assembly into cell manufacturing, and is expected to improve the margin and profitability at the consolidated level for the Company.

The change re-directs scarce IPO capital from a low value-add, deferrable component (frames), surplus module capacity, and surplus EVA encapsulant capacity to the highest-leverage point in the chain (cells), where control of supply is now business-critical.

At a capacity of 1.2 GW, it will meet approximately 75% of the OSEPL's overall cell requirement, with the balance continuing to be sourced externally in the near term.

- **Versus further module capacity:** the Company's existing and planned module lines (the ~570 MW line plus the 1 GW now being set up) are sufficient for current requirements; adding further module capacity would deepen, the Company's exposure to externally-sourced, DCR-constrained cells.
- **Versus continuing the Aluminium Frame Facility:** Frames are low-value, standardised components that can be sourced from the market in the near term. With frame technology still evolving, investing in manufacturing capacity now carries a risk of obsolete capex. In contrast, cells are critical to securing supply and protecting margins, making them the most important area for investment in the value chain.
- **Versus building out the balance of the EVA Encapsulant Facility:** the 1.2 GW of EVA capacity being retained is majorly sufficient to service the Company's module-manufacturing capacity with only a small incremental quantum expected to be sourced externally; committing capital to the balance 300 MW would tie up funds in an encapsulant-manufacturing step that is not the binding constraint on the Company's solar-manufacturing economics, unlike cells.

All three sources involve capital allocated to lower-value activities or areas where capacity is currently sufficient. In contrast, the cell plant addresses the most critical supply-chain gap and strategic priority in OSEPL's integrated manufacturing operations. Hence this is expected to create greater value than further investment in module capacity or a conventional aluminium-frame manufacturing line.

Management remains committed to enhancing long-term shareholder value through the prudent and efficient utilisation of the issue proceeds, with a focus on maximising returns while maintaining the quality of the Company's products and services.

Commenting on the order, Mr. Vivek Gupta, Chairman and Managing Director, Oswal Pumps Limited, said

"The decision to set up a 1.2 GW TOPCon solar cell facility marks a defining step in Oswal Pumps' journey from a pump manufacturer to a fully integrated solar solutions company. Over the years, we have built strong capabilities in solar modules, pumps and complete solar pumping systems. Bringing cell manufacturing in-house completes that value chain and gives us greater control over quality, cost and timelines.

With ALMM List-II now in force, demand for domestically manufactured cells is set to rise sharply. We see this as the right opportunity to invest. Choosing TOPCon technology ensures we are building for the future, with higher efficiency and better long-term performance for our customers.

India's renewable energy ambitions, together with programmes such as PM-KUSUM and PM Surya Ghar, give us strong visibility of demand. We are confident this investment will strengthen our competitive position and create long-term value for all our stakeholders."

About Oswal Pumps Limited

Oswal Pumps is one of India's fastest-growing, vertically integrated solar pump manufacturer. With a legacy of over two decades in pump engineering and manufacturing, the Company is a fully integrated provider of turnkey solar pumping systems. It has established a strong presence across solar-powered and grid-connected submersible and monoblock pumps, electric motors, and solar modules—all marketed under the trusted 'Oswal' brand. The Company is accredited with ISO 9001:2015, ISO 45001:2018, and ISO 14001:2015 certifications and is listed under the Ministry of New and Renewable Energy's Approved List of Models and Manufacturers (ALMM).

With a strong pan-India distribution network, growing international footprint across countries, and a focused design and engineering team, Oswal Pumps continues to cater to the diverse requirements of end-users in the agricultural, residential and industrial sectors.

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