

CMD'S NEW YEAR MESSAGE 2026

My dear Members of AVNL Family,

At the outset I would like to convey my new year greetings to all of you and your families and wish a very Happy, Healthy and Successful New Year, 2026. I place my sincere appreciation for your contribution in strengthening our organisation and advancing our shared vision which helped steer the wheels of progress on the firm tracks of Aatmanirbharta and Viksit Bharat.

As we enter new year, I would like to reflect over the achievements made by us since corporatisation and the things we need to do in future to achieve greater success. We have been able to consistently earn profits during the last four years and I am confident that this year it will be highest. For this I would like to thank all my predecessors and colleague officers of not only AVNL but even before corporatisation, for the contributions made by each one of them in laying strong foundation of our organisation

AVNL has many firsts to its credit. We have been able to conduct all AGMs well in time right from the first year of inception which is testament to the fact that all production and accounting activities were done in a timely manner. We have been able to undertake and sustain modernisation in a big way leading from the front with expenditure of around 80% of allocated CAPEX funds with plan to reach beyond 95% by end of this year. As far as Industry 4.0 and QA 4.0 is concerned, our achievement have been well appreciated by MoD also. We were able to achieve significant progress in indigenisation during the last four years envisaging disruption of supplies from Russia. We were first to bring out our Vision Document as 'Vision 2047' in the year 2022 itself, keeping the 100th year of our independence in mind which aligned with the GOI Viksit Bharat 2047 Programme. We are among the first to attain Miniratna-I status amongst the 7 new DPSUs. We were the first to conduct Sports Meet and even set a new trend by organising an Inter DPSU sports meet. Last year we participated in IMTEX 2025 for the first time as Machine Tool manufacturer.

AVNL has been blessed with very strong order book of over Rs. 39,000 Cr to begin with, which has been maintained well at the level over Rs. 37,000 cr by way of receiving new order during last 4 years even after making supplies of over Rs. 20,000 Cr during the period. We need to substantially enhance our VOI to liquidate the orders in a timely manner and to secure new orders to grow further.

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We have also given significant impetus to R&D and today we have launched R&D Manual, which reinforces our commitment towards R&D. Our approach to R&D is guided by success of some of the established PSUs who are focussing on R&D and have made much progress in the field. We should try to reach their level in order to achieve exponential growth. To enhance the knowledge base and to provide further impetus to R&D, we have started M.Tech Courses in association with Kumaraguru University, Coimbatore.

We are the first amongst the new DPSUs to contribute to meaningful projects under CSR. I feel these contributions made by AVNL to society will bring lot of goodwill and blessings to the organisation. I would like to mention here that the credit for all these achievement goes to each and every one of you who have contributed in one way or another.

In the field of Export, we could not make any significant impact till now, but I am happy to say that we have received our first export order in Dec'25, though of very small value, but it becomes significant being the first and also that this order has been secured against competitive tender. During the recently held APEX Review Meeting it was decided that we slightly modifying our approach now we should reach out directly to our potential customers without depending only on channel partners to exploit our export potential.

I would like to emphasise that we should maintain supply schedule and commitments made. I am happy that the image of AVNL has gone up with Indian Army as well as MoD which will receive further boost if we maintain the approach of timely supply of best quality products. In order to gain greater confidence of the User, we are establishing Forward Support Centres at appropriate strategic location as recommended by the Indian Army.

On this occasion, I would also like to express our sincere gratitude to all our major stakeholder i.e. Defence Forces and the Department of Defence Production for their continued support & guidance.

To conclude, I would like to mention that AVNL is making clear and firm strides towards becoming a \$ 1 Bn company in 2026-27 which will pave the way for further progress and to become a Navaratna and Maharatna company in the time to come. Once again I extend heartiest greetings for a prosperous and healthy New Year to all of you and your family members.

JAI HIND

SANJAY DWIVEDI
CHAIRMAN & MANAGING DIRECTOR