

Aequs Goa facility to produce precision components for Defence sector

Aerospace engineering firm Aequs based in Belagavi, will invest Rs 500 crore to set up a dedicated manufacturing facility at the Tuem Electronic System Design and Manufacturing (ESDM) hub for the Indian defence sector. In an exclusive interview with **GT** Resident Editor **SHASHWAT GUPTA RAY**, Chairman and CEO, Aequs Pvt Ltd, Aravind Melligeri revealed his plans for the upcoming facility in Goa.

Q1. Aequs will set up 500-cr facility in Goa. Why Goa?

Ans. Our SEZ in Belgaum is a fully integrated aerospace ecosystem and we have meticulously planned it such that all the facilities are within close proximity. We are able to deliver on our projects faster than most because of this proximity. Considering this aspect, we wanted to ensure that our next facility is also within close proximity to Belgaum and hence Goa, which is roughly two hours away from us. We have also taken into

consideration that Goa is accessible by rail, road, port and air; this connectivity is essential for an export oriented firm like Aequs. The Goa government is looking to encourage more business by upgrading their airport to accommodate international flights and they have been very supportive to make this manufacturing facility a reality.

Q2. What is the total projected investment for your Goa facility?

Ans. As of now, the new facility will be established with an initial investment of Rs 500 crore towards development of physical infrastructure, plant, machinery and equipment and is strategically located at the Industrial cluster

(EMC) Tuem, Goa. Depending on our customers and the line of products, we will expand and add machining capabilities accordingly.

Q3. Aequs, which entered into the defence manufacturing business in 2013, has been actively looking for opportunities to partner with many India's R&D organisations and Hindustan Aeronautics Ltd (HAL). What are the products your company wants to make here in Goa?

Ans. Aequs has worked with HAL previ-

ously on smaller projects in the defence sector and over the years we have steadily built our expertise in aerospace, as well as defence. Since 2013, Aequs has been working with HAL on machined structural parts for various platforms, including Light Combat Aircraft, Sukhoi 30MKI, ALH, among others. With the new facility in Goa, Aequs aims to delve deeper into manufacturing of high-end aerospace and defence equipment hence reducing costs of import and add to in-country value for the Indian Defence sector. The new Aequs facility will be a multi-capability precision engineering with Computer Numeric Control (CNC) machines and new age technology to design and produce precision components for the Indian



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Chairman and Chief Executive Officer of Aequs Private Limited

Defence sector.

Q4. What is the company's net worth now and how much revenue growth the company is expecting with this new facility in Goa and within what period?

Ans. Current Aequs revenue is close to 100 million US dollar per annum. We are looking to grow this by three times in 2020. This vision

will become a reality when we are able to effectively tap all our sectors and attract as many JVs and partnerships. The facility in Goa is a part of this plan and will effectively contribute to this goal when we achieve 100 per cent utilisation in the facility.

Q5. The Goa government says your company will help generate 2000 jobs locally. But does Goa have so much talent pool for meeting your requirements?

Ans. We believe in harnessing the local talent pool at a young age. We provide a platform to fresh graduates, by meticulously training them in the various processes in manufacturing. They are willing to learn and have a thirst to contribute to an organisation that works towards their career development.

The facility will support the 'Skill India' initiative by upgrading skills of employees in the fields of precision manufacturing and other new age technologies, thus bringing a key capability in aerospace manufacturing in the country.

In the future, we look forward to set up an

Aerospace Knowledge Centre in our SEZ in Belgaum and provide technical expertise and experience to aspiring students. By collaborating with technical institutes in the region, we will train youngsters and equip them with knowledge and the skills to grow in this industry.

Q6. Aerospace technology also has lot of civilian applications. What are the products you intend to make for civilian use?

Ans. Aequs currently works with Indian Space Research Organisation (ISRO) and contributes to several products. We believe Space is an extension of the Aerospace and Defense activities. We like the ISRO's pro-active approach to develop projects with supplier-partners like Aequs and we are willing to contribute to these missions.

Q7. Can the Goa facility cater to these markets?

Ans. Currently, the Goa facility will be dedicated to India defence activities. We look to further expand it for exports as we develop broad capabilities.

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