

# Moving up the value chain

## – Aequs & Airbus journey

Since 2009, Aequs has been supplying parts directly to Airbus; however, the new Airbus A320neo (new engine option) Titanium programme needed over 1,00,000 titanium machined parts annually. The long standing partnership of Aequs with Airbus saw a major investment and up haul of the Belgaum SEZ when Aequs built a 100,000 sq. ft. (~9,300 m<sup>2</sup>) aerospace machining facility for Airbus. It would be the first-of-its-kind large order for titanium parts to be placed with an Indian supplier. These detailed machined parts, once completed, were to be delivered to Airbus' plant in Toulouse, France where they would be assembled into the pylon structure, which mount engines on the aircraft wing.

For Airbus finding the right partner was paramount. Machining these titanium components is a precision process and there is no margin for error. It was critical that the titanium parts were excellent in quality and that the finished components are delivered on time. They had to choose a supplier who would be willing to take up the challenge and execute it perfectly. Aequs is among India's fastest growing precision engineering companies specialising in Precision Machining, Sheet Metal Fabrication, Aerostructure Assemblies, Closed Die Forging, and Special Processing for the Aerospace, Automotive and Oil & Gas industries. Being a global organization, Aequs is able to combine the benefits of specialised manufacturing centres in France and the U.S.A. enabling close customer collaboration with a global ecosystem in Belgaum, India.

In September 2015, Aequs set up a dedicated facility to manufacture aerospace machined components for Airbus. This facility is located in the 250 acre Aequs SEZ and can house up to 150 CNC machines and can supply up to 200 structural components for the products. We began processing the titanium parts in November 2015. In the shortest time, the first titanium part was sent to Airbus and the momentum continued from there on.

"It's about creating value and shrinking the supply chain. That's why Airbus is interested in us to build this eco-system. Today, we are one location where you can bring in raw materials, forge, machine, surface treat, assemble and ship it to a customer,"

said Aravind Melligeri, Chairman and Chief Executive at Aequs.

Aequs and Airbus association over the years Aequs has a long-standing relationship with Airbus having produced detail machined parts for its single aisle, long range, and large aircraft since 2007, including wing leading edge subassemblies for its A380. It was in 2007 that Aequs delivered its first parts for the Airbus 380.

In 2009, Aerospace Processing India Pvt Ltd (API), a joint venture between Aequs and Magellan Aerospace started operations with approvals from Airbus.

In 2014, the first delivery of A380 panels and fairings were delivered from AAI (Aerostructures Assemblies India Pvt Ltd, a joint venture between Aequs and Saab.

Aequs is involved in a number of projects with Airbus. In February 2015, Airbus signed an agreement with PAG for machined detail parts. Under the agreement, over 200 structural components for Airbus aircraft will be supplied by Aequs. Over the next seven years, Aequs engagement with Airbus will exceed \$50M in the delivery of precision machined parts for A320, A350, and A380 programs.

On October 5th, 2016 during the Supplier Awards ceremony in Hamburg, Airbus recognised the achievements of Aequs by presenting the Innovation Award to Mr. Aravind Melligeri, Aequs Chairman and CEO for their valuable services and efficient, manufacturing ecosystem.

"This award represents a critical point in our journey with Airbus and has raised the bar for future opportunities to create value," said Steve Smith, Senior Vice-President, Global Sales & Strategy, Aequs.

Aequs' quality and delivery track record along with its ability to invest has positioned it to support Airbus' India sourcing strategy. Aequs' commitment to produce aircraft subassemblies has also generated significant opportunity to support future Airbus needs. With projects and global partnerships, Aequs has steadily gained capabilities for its 2000+ employees around the globe. India, which is expected to generate 70% of revenues for Aequs by 2020, is becoming a market for assorted aerospace equipment. ■

India's First Notified Precision Engineering and Manufacturing SEZ

