Dear Aequals,

The global aerospace industry is undergoing major transformation with the development of new technologies, ever-increasing cost pressures, as well as the quest for higher production rates to satisfy the commercial aircraft backlog. The global economic environment drives the aerospace industry – passenger air traffic will grow driving demand for 33,000 new aircraft by 2035. All of this combines to provide immense opportunities for Aequs to realize its dreams and aspirations. We expect our global aerospace revenues to continue growing at a compound annual growth rate (CAGR) exceeding 50% for years to come. It is up to us to seize every opportunity that comes our way, and execute flawlessly.

To enable our growth, we will invest in the latest technologies to remain competitive and sustain our innovative ecosystem solutions in the ever-evolving global supply chain. Our employees are a major stakeholder in these initiatives, while our leadership has been providing the guidance and inspiration to unleash the potential of our people. Together, achieving our goals is well within reach if we remain committed to our mission, vision, and values.

Finally, Aequs Aerospace offers one of the most innovative global supply chain solutions in the industry with its ecosystems of efficiency strategy. This concept is at the core of who we are, how we operate and, how we approach the market. As we work tirelessly with our customers to discover and unlock new opportunities, we will no doubt experience tremendous growth as we deliver on these opportunities.

Aravind Melligeri, Chairman & CEO

The success of an organization largely depends on how its employees practice and demonstrate their behavioral competencies, which outlines the desired organization’s character. Behavioral competencies describe the ‘actions’ or the way we do things. It’s about how a job or task is being performed, how we take initiative, communicate and work with others, and how we deal with conflicts or challenges with utmost clarity of thought. We want our esteem employees to acknowledge and assume responsibility for their actions, decisions, and policies.

We understand our own, organization-specific list of competencies, definitions and descriptions. That’s how we have competencies identified around innovation, teamwork, communication, customer focus, etc. These competencies reinforce the corporate culture and apply to every role in the organization. Surely, enhanced ‘behavioral competency’ is the mantra of working together.

Our endeavor to build competencies that are aligned with Aequs’ core values and strengths will help differentiate ourselves in the growing competitive marketplace. We strongly believe in ‘values’ that are deeply rooted, as it helps to grow the competencies multifold and leads to higher productivity.

Our people will continue to remain as the major driving force behind Aequs’ success and growth. Our achievements have pushed the industry to gain momentum, and have brought the Indian aerospace industry to light. We expect highest degree of commitment from our employees, who should not only aspire to deliver highest value to customers, but also take initiative that impact lives within and outside the organization.

Let us, together, continue to drive Aequs and the aerospace industry to greater heights.

Rajeev Kaul, Group CFO & Managing Director, India
Aequs’ Local-Global Strategy

In 2016, Aequs continued its strategic journey to provide its customers with a “Local-Global” solution with the acquisition of the Sira Groupe in France. Now consolidated into four sites, in Paris, Cholet, Aubigny and Besancon, the operations in France brought Safran, Dassault, Thales, Socat and Liebherr as new customers, enhanced our position with UTAS, and brought us excellent manufacturing capabilities close to major European customers.

France is one of the most dominant players in the global aerospace industry and the French government has driven numerous initiatives to boost the aerospace industry, inviting companies from across the globe to participate in aerospace manufacturing within the country. Our sites in France have brought Aequs considerable technical expertise across a wide range of products and significant expertise in engine and landing gear components.

Our operations in France are dedicated to complex production, and have enabled us to offer our customers fully risk reduced production by industrializing new Aequs products in France and transitioning elements of the manufacturing to our globally competitive operations in India.

The signature of the Indo-France, Dassault Rafale defence contract, will herald new opportunities for the Indian aerospace industry, as Dassault, under the terms of its offset agreement, will invest 50 percent of its contract value in India. Aequs is leveraging its close relationship with Dassault and its Tier I suppliers in France to secure new business on the military jet, for which we already deliver over $600,000 of components per aircraft.

Steve Smith
Senior VP, Aerospace - Global Sales and Strategy

Valuing our Values Session at AAM, Texas

The three core values of Aequs are what support the vision, shape the culture and reflect what the leaders’ values. The values serve as the guiding principle for the organization, and to reinforce the spirit of Aequs values amongst the employees, “Valuing our Values” session was conducted at AAM. Mr. Rajeev Kaul addressed the employees through Skype in the first session to set the right message for value adherence. The HR team conducted an activity during the session wherein the employees were asked to map their personal values with the Aequs values. The activity reflected that the Aequs values are exemplified versions of employee’s personal values. For instance, Honesty is a different dimension of Transparency and Trust. The session ended with a value based story and message from the leadership team of the unit on “alignment oneself with the organizational values”. The participants have appreciated the sessions and acknowledged that values handbook serves as a ready reckoner for values adherence.

Sasmita Pattnaik
Deputy Manager, Human Resources, AAM

“It was a wonderful session. The mapping activity made me realise that my personal values are ingrained in the Aequs values. Trust, Transparency and Respect are the three pillars that binds the whole organization. Time and again the leadership team has communicated the importance of abiding by the values and how it cannot be compromised in any situation. Valuing our Values session was an abridged version of the Aequs Values story”

Sharon Roebuck
Shared Services, AAM
Astonishing disposition of might and supremacy was displayed at 11th edition of Asia’s Premier Biennale Aero Show held in Bengaluru from 14-18 February 2017, as supersonic Sukhois ripped the sky apart, and Rafales decelerated mid-air to pose for photographs. Hosted by Ministry of Defence, along with other aviation-related organisations, the show featured over 70 aircrafts – light combat aircrafts, helicopters, fighters and unmanned aerial vehicles to name a few. Aero India 2017 witnessed participation from global aerospace giants from countries like US, France, Germany, United Kingdom, Singapore, UAE, Australia, Spain, South Korea, Canada and many more.

Aero India has become Bangalore's premier entertainment spectacle. This year 279 firms from across the world and 270 Indian firms participated in the exhibition. Aequs participation at Aero India 2017 marks its feat as an established player in global aerospace arena. Today, Aequs has built its trust and name among major OEMs and Tier I customers, who knows Aequs’ potential and competence.

After the rich Goan experience, the Hon’ble members of the Goan Administration Team Headed by the Hon’ble Chief Minister of Goa, be witness to Aequs announcing setting up a, “Multi Capability Aerospace and Defense Manufacturing Facility” in Tuem Goa, during the Aero Show 2017. “Who does not like to come to Goa,” was the riposte from the Hon’ble CM of Goa when one of the media persons asked Aequs as to why they chose Goa.

Krittey Pattron? is a cheerful greeting one gets to hear every now and then, while you are in Goa. A loosely translation of this Konkani greeting is how are you, boss? Now you may be wondering what Goan Pattron is doing here. Just what must have been on Vikram and Teams’ minds, when they were asked out on a tour of Goa. If one gets the feeling that it was a breeze through this Project, it is mainly thanks to some solid ground work done by Rajeev, Sampath and Vikram.

Basavaraj Sugandhi
Manager, Public Relations
Our Hon’ble Raksha Mantri, Shri Manohar Parrikar visited the stall on the inaugural day. Mr. Aravind Melligeri, CEO and Chairman, Aequs, personally greeted and escorted honourable Minister to the stall. Several dignitaries such as Shri Laxmikant Parsekar, Hon’ble Chief Minister of Goa, along with other delegates like Shri Ameya Abhyankar (I.A.S), Secretary and Director Information Technology, Shri R.V Deshpande, Hon’ble Minister for Large and Medium Scale Industries, Shri Satish Jharkiholi, former Small Scale Industries Minister etc. visited Aequs stall. Other dignitaries who visited Aequs stall were delegates from Indian aerospace industry such as Dr. A.T. Kalghatgi, Director (R&D), Bharat Electronics Limited, Dr. Tamilmani, Retd DG (Aero), DRDO, Delegates from HAL, SAFRAN, Aeronautical Development Agency (ADA), Boeing and Airbus Group.

In the picture, Mr Aravind Melligeri is seen explaining about Aequs capabilities, new additions and complexities involved in machining Aerospace parts.
Mr Aravind Melligeri received the prestigious Business Leader Award for the year 2016 at the 4th edition of the Aerospace and Defence Award 2017. The ceremony was held on 13 February, at Le Meridian on the eve of Aero India 2017. Aerospace and Defence awards are organized by International Aerospace Magazine, SAP Media Worldwide Ltd to honour individuals, products, and organisations that have surpassed the standards of excellence in the aerospace and defence industry.

Aequs Signs Contract with Boeing

Aequs signs agreement to supply critical components to Boeing.

Aequs Strengthens Business Partnership

Mr Rajeev Kaul, Group CFO & Managing Director, India during a panel discussion in Goa.
The most rewarding experience and pleasure of working with a great team. One of the better ways to do good business in the aerospace industry. — Shireesh P. Prabhu, SQuAD

It was a great experience attending the Aero India 2017 event. Being a first time visitor, I could perceive the magnitude of the kind of work we do and the abundance of opportunities we have in this sector. — Paul Jacob Cheeran, SQuAD

Today I can proudly say that Aequs is among the prominent players in Aerospace manufacturing. Aequs was the only stall which showcased the product lifecycle, from forging to finishing - an ecosystem of efficiency. — Girish Kale, API

It is a platform that provides visibility and opportunities to develop contacts and acquire a deeper understanding of aviation industry and an ideal place to visualize and experience it. — Shalaka Gadkar

The display of components was very impressive, showcasing the diverse capabilities at Aequs. Many visitors were impressed with the Engine and Landing gear components and capabilities from our France facilities. — Sriram Surendaran

Overall marketing strategy displayed at the stall with the use of advanced technology was much appreciated, and which led us explain customers and visitors very clearly like “Virtual Reality,” “Product Chart” and “New Aequs Corporate Video.” — Anand Patil

It was indeed a matter of pride and enthusiasm to represent the company along with the larger team, at Asia’s premier air show to display current and upcoming products and services and market trends. — Kritika R.B
Since our earlier days, humans often dreamed of flying and has been building primitive flying devices with many variations of mechanical wings to fly like birds. However, all these attempts were failures as humans have muscles which are never strong as birds. Interestingly, Chinese were the first to achieve flights way back in 400 BC, with the discovery of Kites. Leonardo da Vinci, the famed Italian inventor, is credited with designing early ancestors of the airplane based on the flight of birds, including the parachute and an early version of propeller. Today’s helicopter is based on a design that he created for a human flying machine called the “ornithopter”.

Year 1783 was considered a breakthrough year in aviation. Sheep Brewster and Duct took flight in the first hot air balloon with passengers, invented by Joseph Michael and Jop and Tean Monta Cofler. They lit a fire under a large silk bag and blow hot air into it. Later, balloons became popular in Europe with the help from Montgolfier brothers.

More significant advances in flying came when gliders came into existence. In 19th century, George Cayley discovered a way the man could fly with gliders that were controlled by the movements of body. Another German engineer, Otto Lilienthal, designed a glider that could fly a person and cover long distances. After more than 2500 flights he died at a crash. His book on aerodynamics published in 1889, was used by the Wright Brothers as the basis for their designs their planes.

In 1843 John Stringfellow managed the first steam powered flight. Lawrance Hargrave then helped develop a rotary engine by introducing the use of compressed air.

In 1891, Samuel P Langley flew his steam powered model of a plane which he called an aerodrome. The full-sized aerodrome was too heavy to fly, it crashed eventually. His aerodrome was later considered the first machine capable of flight.

On Dec 17th 1903, Wright Brothers achieved a breakthrough, they managed the first reputable instance of sustained flight by a heavier than air vehicle called “Wright flyer” which weighed 605 pounds. This first flight travelled 120 feet in 12 seconds. Within 5 years the Wright brothers had lengthened their flight time to over an hour.
During the next century, many new airplanes and engines were developed to help transport people, cargo, military personnel, and weapons. The 20th century advances were all based on the first flight by the Wright Brothers at Kitty hawks.

Leading up to World War I, airplanes were mainly used for photography and reconnaissance missions, and not as weapons of war. To make them viable tools they required major revisions. Finally, when it was ensured that machine guns could steadily be mounted, air warfare became a reality with the invention of fighter planes. Soon after the onset of war, planes became devastating aerial bombers when began to feature 2 to 4 engines. In the period between world wars, many important innovations took place. Instead of wood, planes were built of aluminum which were lightweight and were more powerful.

World War II firmly established fixed wing aircraft as a decisive factor for the military victory. By the time smoke cleared over Europe, humanity had developed jet and rocket propulsion as well as radar technology. The importance of aircraft to warfare only increased with the advent of Nuclear Bomb.

In 1945, a minor military contractor named Boeing became the largest aircraft manufacturer in the world. They developed new technologies that allowed for pressurized cabins, more aerodynamic designs, new metals, larger sizes, and turbo jets capable of supersonic speed. By 1947 the sound barrier was broken and regular transoceanic flights became a reality within two years. Boeing introduced B-52 in the 1950s and this strategic bomber was equipped with 8 turbojet engines, intercontinental range and a capacity of half a million pounds. In 1963, a small jet aircraft called Learjet became a reality. Six years later Boeing developed the revolutionary 747. That wide body turbofan powered commercial airliner became the most successful model ever created and it served as a foundation for countless other models. The 1970s saw the arrival of the supersonic Concorde jet and the Airbus. Leading up to the 90s, designers began adapting a flying wing design and the use of composite metals. This also spurred the creation of crafts like Lockheed Martin’s F-117 stealth fighter.

Humankind was now able to fly. Air travel became the fastest method of global transportation and a major pillar for warfare. Flight has advanced to the point where it is now labeled as the safest means available.

Devjeet Majumdar
Head Marketing
Jigs are primarily used to hold parts intact during entire anodizing cycle. Earlier with non-standard jigs, only 5 no’s of Airbus class 1 parts were jigged using a clip hanger, with aluminium wire to prevent parts from falling into the tank. And, in one anodizing cycle, only 5 parts could be processed with the above method.

In an endeavour for improving the productivity and better handling of the critical parts, a team of API engineers Ramachandran M and Guruprasad V S conceptualised a better jig, and got it fabricated. With the improved dedicated jigs, 10 parts can be processed per jig, and three such jigs can be used per anodizing vat cycle that makes 30 parts per anodizing cycle, leading to six fold improvement in productivity and no rejections by inadequate handling. This improved Jig is specific for part no’s - D57250801200/201, D57250802204/205 and can be horizontally utilised for other parts with similar geometry.

QuAD Forging India (SFI) is a joint venture between Aequs and Aubert & Duval SAS (ERAMET Group) of France. It specializes in aero structural parts, landing gear and braking system components in titanium, aluminum, steel, and nickel base alloys.

In recent quarter, several global clients acknowledged SQuAD contribution to aerospace industry. Liebherr Aerospace and Suzuki approved SQuAD’s forging process, while SAFRAN (MBD wheels & breaks) approved special process (heat treatment). Aeronamic made a visited SQuAD plant.
Aequus Foundation - Serving the Community

Aequus Foundation is driven by our commitment to initiate and support good causes that impacts the society and people positively and improve their quality of lives. Various initiatives are carried out helping school students in the areas of Science, Technology, Engineering & Mathematics (STEM) and Health, Sanitation & Safety to ensure a better future and quality of life.

We initiated “SAFE” (Social Awareness on Fire and Emergencies) in association with Karnataka State Fire and Emergency Services Department to educate students on various aspects of fire safety and emergencies. Another initiative involved organizing free eye screening in association with “Vasan Eye Care” Hospital where we donated free spectacles to the needy students. We also started a programme on “Health & Hygiene Education” for the students at various schools at nearby villages.

Many such initiatives are in the pipeline as we are committed to bring sustainable and positive changes in the society.

Marketing @ Aequus

“Content builds relationships. Relationships are built on trust. Trust drives revenue.” – Andrew Davis

In our relentless endeavor to enhance visibility of Aequus brand among various stakeholders, we gained substantial mileage this quarter, particularly in terms of public relation (PR) value. The Visibility Index (VI) recorded more than Rs 10 million in value for Aequus Aerospace coverage, predominantly driven by Aero India 2017 show. Aequus was prominently visible across aerospace magazines and dailies that came to cover Aero India show.

In our constant attempt to generate motivating and captivating content, we launched new corporate video (AV) centred around Aequus’ Global Ecosystem and reach, while projecting company’s incredible growth story to various stakeholders. The new French version of Aequus website was also uploaded during the quarter, this was imperative with the Paris Air Show 2017 approaching near. We introduced a guided 360-degree virtual tour (VR) of Aequus Special Economic Zone (SEZ) to promote our world class ecosystem. Going forward, this quarter we intend to further raise Aequus’ share of voice (SoV) and increase return on investment (RoI).