

Expression of Interest

REF: H/DGM(OS)/EoI/ALH Civil Mfg/38/2018

DATE: 16/02/2018

Sub: EXPRESSION OF INTEREST FOR IDENTIFICATION OF INDIAN PARTNER FOR MANUFACTURE OF ALH (DHRUV) CIVIL HELICOPTER UNDER TRANSFER OF TECHNOLOGY FROM HAL

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Last date of submission: 06/04/2018 by 10.00 a.m.

1. Background:

1.1. **Hindustan Aeronautics Ltd. (HAL)**, a Navratna Public Sector undertaking under Ministry of Defence, Govt. of India, is engaged in Design, Development, Manufacture, Repair & Overhaul of Aircraft, Helicopter, Aero engines, Avionics and Accessories. HAL has successfully executed numerous R & D programs for Defence & Civil Aviation sectors. (www.hal-india.com).

1.2. HAL has designed, developed & manufactured **Advanced Light Helicopter (ALH) Dhruv**- a 5.5 ton class, multi-role, multi-mission, Helicopter with skid & wheel undercarriage options duly certified for Military & Civil application.

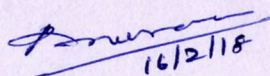
1.3. The helicopter has two fuel efficient, modern turbo-shaft engines complimented with automated fuel management system and modern avionics with Glass cockpit. The helicopter is a light weight, rugged machine due to extensive use (up to 75% of structure) of Composite Materials and provides good payload capability. It is capable of carrying 12 passengers, besides two crew members. Alternatively, it can carry 2600 kg of useful load.

1.4. Dhruv(ALH) is a cost effective, versatile Helicopter and has proved its performance in all terrains and weather conditions in this country - desert, coastal, mountainous, hot, humid, salt laden, high altitude. Excellent high altitude performance makes it the workhorse of Defence forces supporting troops at higher ranges in Himalayas. It is capable of day and night operation.

1.5. Dhruv is suitable for transportation, VIP movement, Search & Rescue, medical evacuation, air ambulance, law enforcement, counter-insurgency, geological survey, tourism and disaster management. Dhruv was extensively deployed for rescue operations during floods in Uttarakhand in 2013, earthquake in Nepal and other natural disasters in the past. With different customers, Dhruv fleet has logged approximately 2,00,000 hours.

1.6. Dhruv, having successfully proved itself with different customers in varying roles/missions and demanding operational conditions, has bright prospects. Besides current orders, Dhruv is envisaged to have potential demands in domestic as well as foreign markets due to flexibility of configuration for different roles.

1.7. HAL is the Design Authority and Original Equipment Manufacturer (OEM) of this product.


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2. Objective:

2.1. In order to service the potential demand to different customers in civil sector in shorter time spans and continued product support, HAL intends to develop a reliable Indian Partner (IP) for the purpose of manufacture and supply of Dhruv(ALH) Civil Helicopter through Transfer of Technology (ToT) under License. The selected Indian Partner would also be required to provide support to the customers throughout life of product (20 years) thereby ensuring long term business relationship. This EOI is being floated to identify potential business partners in India.

3. Indicative Roles of Indian Partner & HAL:

3.1. The selected Indian Partner shall be required to carry out the Manufacture, Assembly, Testing & Supply of Dhruv (ALH) Civil under ToT in phases as defined under:

- | | |
|--------------|--|
| Phase - I: | Assembly of Structures from detail parts and manufacture of detail parts |
| Phase - II: | Assembly of Structures and Equipping of the Structure |
| Phase - III: | Final Assembly and Flight Test |

Depending on the capability of the selected partner, there would be possibility of change in phase definitions.

3.2. HAL as the technology provider shall provide:

Transfer of Technology through License / Transfer of know-how,
Technical Assistance and Support during production &
License Rights for production of Civil Dhruv (ALH) by selected business partner

3.3. Among others, the following fee and charges shall be levied by HAL for Transfer of Technology for Civil Dhruv (ALH):

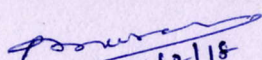
- a) One time License fee
- b) Royalty
- c) Technical assistance fee
- d) Modification / Upgradation / Configuration Control cost.

4. Capabilities of Indian Partner:

Successful Indian Partner will need to have the following capabilities before entering into business partner agreement or provide commitment to have the capabilities at the time of commencement of business partnership:

I. Essential:

- a) Should have experience of 05 years in the Engineering / Aerospace Industry with manufacturing and Assembly.
- b) Net worth of Indian Company/Group Companies should not be less than Rs. 2,000Cr (To be certified by the statutory auditor of the Company).
- c) Indian partner should have sound financial backing, i.e. minimum turnover of Indian Company/Group Companies should be Rs. 2,500 Crs / year on an average during last 03 years (To be certified by the statutory auditor of the Company).


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- d) Skilled and qualified manpower capable of absorbing and implementing Aerospace technology.
- e) Willing to enter into a strategic collaboration with HAL and agree for terms of exclusivity/non-exclusivity, non-competition, exit-criteria etc.
- f) Company registered in India or a Company where majority holding is by Indian Stakeholders.
- g) Statutory approvals including registration for taxation, etc.
- h) Availability of land / building with power, water & air conforming to local civic regulations / industry requirements.

II. Desirable:

- a) Experience in handling ToT Projects.
- b) Composite & Transmission parts manufacturing facilities.
- c) Plating (Surface Treatment) and heat treatment facilities.
- d) Approval of Firm & its Quality Management System by DGCA.
- e) Accreditation to Aerospace Standard 9100C/D.
- f) Approval by Directorate General of Civil Aviation under CAR-21 & CAR-145.
- g) Necessary Industrial License for Manufacture of Helicopter.
- h) Air field facility for flight testing & operation of Helicopter.
- i) Air traffic control facility.
- j) Trained and Civil Helicopter Pilots with CHPL. (Civil Helicopter Pilot's License)

5. The selected Indian Partner will:

- a) Identify prospective Customers of its own
- b) Enter into a Non-Disclosure Agreement & contract for license manufacture of ALH (Dhruv) Civil with HAL.
- c) Implement all technological requirements without exception stated in Transfer of Technology documents mentioned at para-3 above.
- d) Not indulge in any change / alteration / modification on the product of its own without explicit consent of HAL in writing.
- e) Be liable for all obligations arising out of use of technology licensed. HAL, as OEM for the product, will undertake action to remove design deficiency, if any.
- f) Manufacture the licensed product within India
- g) Not to supply Helicopter to any customer in conflict with National interest.

6. Other Stipulations:

- a) The EOI is not an Agreement and is neither an offer nor invitation to offer or solicitation of an offer.
- b) The issue of EOI does not imply that HAL is bound to select the shortlisted Applicants for the next stage.
- c) HAL accepts no liability of any nature whether resulting from negligence or otherwise however caused arising from reliance of any Applicant upon the statements contained in this EOI.

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- d) HAL reserves the right to modify / withdraw the EOI at any stage without assigning any reason thereof whatsoever.
- e) The potential firm / company may furnish any additional information which is deemed necessary to establish capability to successfully absorb technology and manufacture Civil Helicopter. Relevant documents may be enclosed with the response to EOI. HAL reserves the right to seek clarifications on the documents submitted by the Applicants.
- f) HAL reserves the right to visit the facilities and assess the credentials of the submission at **Appendix-I** and carry out a detailed due diligence.
- g) HAL reserves the right to accept / reject any Eols without assigning any reasons thereof, and the decision taken by HAL will be final.
- h) The EOI process shall be governed by and construed in accordance with the laws of India and the courts at Bangalore shall have exclusive jurisdiction over all the disputes arising under, pursuant to and/ or in connection with the EOI process.

7. Procedure for Response:

a. The interested firms must fill the form of response as given in **Appendix-I** and declaration as given in **Appendix-II**. The filled form along with required documents should be submitted in a sealed cover. The sealed cover to be super-scribed "EXPRESSION OF INTEREST for manufacturing of ALH (DHRUV) Civil Helicopter under ToT from HAL" indicating the EOI reference and due date and should be addressed to:-

DEPUTY GENERAL MANAGER (OUTSOURCING)

HINDUSTAN AERONAUTICS LIMITED,

HELICOPTER DIVISION,

VIMANAPURA POST,

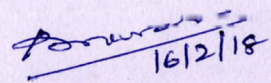
BANGALORE – 560 017.

b. In case of any clarifications, please send email to os.hcop@hal-india.com or contact Deputy General Manager (Outsourcing) at Phone: 080 – 2232 3365 / 2232 2077.

c. The **last date** for submission of EOI proposal is **06/04/2018, 10.00 Hours**. EOI received after due date for submission (and any extension thereof) will not be considered.

With Best Regards,

Yours faithfully,
for Hindustan Aeronautics Limited


(P.Muralidhar)
Deputy General Manager(OS)

INFORMATION TO BE SUBMITTED BY THE INTERESTED FIRMS

1. Name of the Firm :
2. GSTN:
3. PAN :
4. Contact Details:
 - Name of the Contact Person:
 - Designation:
 - Postal Address:
 - Telephone / Mob. no.:
 - Fax no.:
 - E-mail address:
5. Financial details:
 - Ownership details / breakup:
 - Present business portfolio:
 - Annual Turnover for last 5 years:
 - No of employees in the Firm:
 - Details of manufacturing infrastructure:
 - Details of assembly infrastructure:
6. Please confirm

Essential Requirements		
Sl.No	Condition	Yes/ No (If yes, to be supported by Documents)
1	Should have experience of 05 years in the Engineering / Aerospace Industry with manufacturing and Assembly.	
2	Net worth of Indian Company/Group Companies should not be less than Rs. 2,000 Crs(To be certified by the statutory auditor of the Company).	
3	Indian partner should have sound financial backing, i.e. minimum turnover of Indian Company/Group Companies should be Rs. 2,500 Crs / year on an average during last 03 years(To be certified by the statutory auditor of the Company)..	
4	Skilled and qualified manpower capable of absorbing and implementing Aerospace technology.	
5	Willing to enter into a strategic collaboration with HAL and agree for terms of exclusivity/non-exclusivity, non-competition, exit-criteria etc.	
6	Company registered in India or a Company where majority holding is by Indian Stakeholders.	
7	Statutory approvals including registration for taxation, etc.	
8	Availability of land / building with power, water & air conforming to local civic regulations / industry requirements.	

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Desirable Requirements		
Sl.No	Condition	Yes/ No (If yes, to be supported by Documents)
1	Experience in handling ToT Projects.	
2	Composite & Transmission parts manufacturing facilities.	
3	Plating (Surface Treatment) and heat treatment facilities.	
4	Approval of Firm & its Quality Management System by DGCA.	
5	Accreditation to Aerospace Standard 9100 C/D.	
6	Approval by Directorate General of Civil Aviation under CAR-21 & CAR-145.	
7	Necessary Industrial License for Manufacture of Helicopter.	
8	Air field facility for flight testing & operation of Helicopter.	
9	Air traffic control facility.	
10	Trained and Civil Helicopter Pilots with CHPL. (Civil Helicopter Pilot's License)	

7. Any other relevant information: Please enclose documents, including but not limited to copies of MoA, AoA, financial statements, etc.

8. Declaration:

It is certified that the above information is true to the best of my knowledge.

(Authorized Signatory)
Seal of the Company

[Signature]
16/2/18

(To be submitted on letter head of the Applicant)

To,

**DEPUTY GENERAL MANAGER (OUTSOURCING)
HINDUSTAN AERONAUTICS LIMITED,
HELICOPTER DIVISION,
VIMANAPURA POST,
BANGALORE – 560 017**

Subject: EOI for identification of Indian Partner for Manufacture of ALH (Dhruv) Civil Helicopter

With reference to your EOI document no **H/DGM(OS)/Eol/ALH Civil Mfg/38/2018** dtd.16/02/2018, we have examined the EOI document and understood its contents and hereby submit our Application for the aforesaid:

1. We acknowledge that HAL will be relying on the information provided in the Application and the documents accompanying such Application for pre-qualification of the Applicants and we certify that all information provided in the Application and the Appendix-I are true and correct; nothing has been omitted which renders such information misleading and all documents accompanying such Application are true copies of their respective originals.
2. We confirm to make available to HAL, within the stipulated time, any additional information it may find necessary or require to supplement or authenticate the pre-qualification statement.
3. We agree and undertake to abide by all the terms and conditions of the EOI document.

In witness thereof, I/We submit this application under and in accordance with the terms of the EOI document.

Yours faithfully,

(Signature, name and designation of the Authorized Signatory

Name and Common Seal of the Applicant)

[Signature]
16/2/18