

Hindustan Aeronautics Limited  
Aircraft Research & Design Centre,  
Design complex,  
Marathahalli Post,  
Bangalore 560 037  
India.



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RFQ No.: D/IMM/COM3/5461/03/2134/2/2022

Date: 21<sup>st</sup> Nov 2022

**CLOSING DATE OF TENDER: 05<sup>th</sup> JAN 2023, 13.30 hrs (IST).**

**TECHNICAL BID OPENING DATE: 06<sup>th</sup> JAN 2023, 09.30 hrs (IST).**

Dear Sir / Madam,

**Sub: Request for Quotation (RFQ) for "SUPPLY OF MAIN HYDRAULIC PUMP" For LIGHT COMBAT AIRCRAFT (LCA) AIRFORCE Mk2 Programme.**

**Important Note:**

Bidders are requested to submit their proposals in a sealed envelope, superscribing tender no. and due date. Further, Bidders are requested to submit their offer in two bids, viz, technical and commercial / price bid. Technical & price bid should be kept in two separate sealed covers, each superscribed with the type of bid (technical / price bid) and the Tender no. Both these bids should be put in another sealed cover superscribed with Tender no. and due date. Sealed Bids should be sent through post / courier, so as to reach us on or before the due date and time. Optionally, sealed offers may be dropped in the tender box kept at the Security gate of ARDC on or before the tender due date & time.

Bidders to ensure that the price details are not mentioned in the technical bid, failing which such bids will not be considered for evaluation.

The technical bid as well as price bid should be signed by authorized official of the company and the same only should be enclosed in the respective technical / price bid covers. Un-signed bids will not be considered for evaluation. In order to avoid potential disputes, it is preferable that each page of the commercial bid should be signed by an authorized official of the company.

**Signed Omnibus Integrity Pact or Standalone Integrity Pact in duplicate are to be kept along with the technical bid.**

1. Hindustan Aeronautics Limited (HAL), a "Navaratna" Public Sector Enterprise under Government of India is engaged over the past 79 years in Research, Design, Development, Manufacture and Repair & Overhaul of Aircraft, Helicopter, Aero-engines, UAVs, Avionics and Accessories. The company has 20 production facilities at 8 different locations & 11 R & D Centres spread across the country. HAL has designed and developed various fixed wing aircraft which are currently being used by Indian Defence Services and also Helicopters used for both defence and civilian applications.

2. HAL is a principal partner in design, development, manufacturing, integration and flight testing of Light Combat Aircraft (LCA). We are taking up development and Qualification of certain LRUs required for catering to LCA Airforce Mk2 version.

3. In this connection we are considering for procurement of Main Hydraulic Pump for equipping in LCA Mk2 version. QPA of Main Hydraulic pump is 02 nos.
4. This Request for Quotation (RFQ) envisages for selection of manufacturer for supply of Main Hydraulic Pump. The detailed technical requirement specifications of these items are elucidated at **Annexure-1**.
- 5.1. Offers/ Bids are invited in two-bid system from the manufacturers having prior experience in design, development, and certification of Hydraulic pump / motor.
- 5.2. Indian Industry / Company authorised to manufacture under License from the Foreign Manufacturer **having prior experience in design, development, and certification of Hydraulic pump / motor**, can participate in the Tender on behalf of Foreign Manufacturer and may submit the bid along with Manufacturer's authorization letter. Further, the Indian Industry shall comply to the following;
- 5.2.1. The bid should accompany a formal letter from Manufacturer, stating that Manufacturer will ensure that Manufacturer's name is included in the Product label, Manufacturer shall take full responsibility for quality and performance of the product as well as full product support, for life time of the Aircraft, in compliance with the Terms and Conditions of the RFQ. Further, Manufacturer would also provide detailed roles & responsibility of both i.e. Manufacturer (themselves) as well as Indian Industry / Company in execution of supplies.
- 5.2.2. Indian Industry/Company shall not act as trader/distributor/reseller/agent. It should be ensured that minimum 75% of total projected requirement as per tender shall be met out of production facility of Indian Industry/Company, produced through various phases under TOT from Foreign OEM (SKD/CKD/Raw Material phase etc.).
- 5.2.3. Minimum value addition by Indian Industry /Indigenized content of 50% to be ensured under Raw Material phase of production.
- 5.2.4. In case production facility under ToT from Foreign OEM is yet to be established/under establishment in India, then a clear Road map with timelines (meeting with HAL project requirements) for setting up of required production facilities for tendered item under ToT, for absorbing Technology from OEM, training of its staff, compliance to required quality standards, Qualification /FAI of product in India etc., to be provided in bid.
- 5.2.5. Purchase Preference as per Public procurement (Preference to Make in India), Order 2017 & its amendments issued by Department for Promotion of Industry and Internal Trade(DPIIT), shall be applicable for such bidders, where the "Local Content" in each of the RFQ phases of production meets the minimum local content of 50%. Accordingly, the Self certification / Auditor's certification to clearly indicate the percentage of local content in each of the various phases of Production, along with the details of the location(s) at which the local value addition is made.
- 5.3. Supporting document in connection with the above such as proof of completion/ execution of work/ proof of on-going project or completed project shall be submitted by the vendors along with the technical proposal.
6. We would now like to enter into a long term business agreement with your firm covering various aspects including supply of 04 A/c sets (08 nos.) of items for Development Phase against firm order and subsequently against anticipated orders for

100 A/c sets (qty-200 nos.) for series production. HAL is also required to undertake the following during the series production phase:

- a) Repair/overhaul/servicing of Main Hydraulic Pump by HAL at its facilities under a Transfer of Technology (TOT) agreement. – TOT ROH to be signed with the selected vendor at the appropriate stage.
- b) Phased manufacture of Main Hydraulic Pump under a Transfer of Technology (TOT) agreement.- TOT Manufacturing to be signed with the selected vendor at the appropriate stage.

7. During series production programme, Purchase orders are planned to be placed for annual requirement depending upon the number of aircraft to be produced in each year based on customer orders. Issuance of this RFQ does not create any obligation whatsoever on HAL to place orders for series production.

8. Broad elements and requirement of Transfer of technology is placed at **Annexure B**.

9. Vendor shall provide a comprehensive proposal for Transfer of Technology (TOT) for setting up of Repair / Overhaul facility of the Main Hydraulic Pump by HAL. Vendor to submit commercial proposal as per **Format II of Annexure-D**.

10. Vendor shall provide a comprehensive proposal for TOT-MFG for setting up of facility at HAL for manufacturing of the pump. Vendor should provide the commercial proposal for TOT-MFG as per **Format III & IV of Annexure-D**. Vendor may note that the manufacturing of the Main Hydraulic Pump under TOT-MFG will be done either at HAL or at any other nominee of HAL. Although for commercial evaluation purpose manufacturing of 10 nos. under SKD, 10 nos. under CKD & 170 nos. under Raw material phase is being considered, there shall not be any restrictions imposed on the actual no. of sets to be manufactured at later stages using the facilities that are been established under the TOT -MFG.

During SKD phase, vendor to supply Semi Knocked Down (SKD) Kits in the form of assemblies, modules & associated hardware for assembling. Final Assembly, Calibration and Testing to be carried out by HAL.

During CKD phase, vendor to supply Completely Knocked Down (CKD) Kits in the form of sub-assemblies, sub-modules & associated hardware for assembling. Sub-assembly build up, Sub-assembly testing, Final Assembly and Testing to be carried out by HAL.

During Raw material phase, HAL will manufacture the Pumps based on the combination of kits supplied by the vendor and the balance items being purchased / manufactured by HAL. The work share of HAL should include significant portion of core technology items. During this phase, vendor shall ensure that HAL work content shall be more than or equal to 50% by value of the unit price of each pump.

HAL may opt to procure Raw Material/ BOIs/ Forging & Casting/ Consumables for the first few aircraft sets from the vendor. A comprehensive list with contact details/ correspondence addresses of all primary/ approved manufacturers/ suppliers of raw materials/ Bought-Out-Items (BOIs)/ Casting & forgings, if any/ Consumables etc. must be provided to facilitate their future procurement directly from their approved sources as per HAL requirements.

HAL at its sole discretion may decide to do away with the TOT-MFG plan in part or in full. In this case, HAL shall have the option to place order for outright purchase at prices to be negotiated afresh but not exceeding the price quoted for Phase-0 with applicable escalation.

OEM needs to indicate the delivery lead time for all ToT deliverables like Test Rig supply with installation and commissioning, Special Tools, Technical documents, Training, Kits ,i.e. Phase-0, Phase-1, Phase -2 and Phase-3 kits, in the proposal for HAL to estimate the timelines for setting up of Manufacturing and ROH facilities.

11. **LTRA prices:** Vendor to indicate the repair / overhaul prices for utilization of HAL till establishment of ROH facilities in HAL as per **Format-VI of Annexure-D**. These prices shall be utilized by HAL for placement of repair orders on case to case basis. Optionally an agreement for repair can be entered into for this purpose.

12. **Pricing:**

Vendor should fill in the **Annexure-D** covering the RFQ requirement. Prices should not be indicated in any other places. It should be complete in all respects. Supporting documents for the price proposal may be enclosed along with Annexure D. No subsequent addition/ alteration/ claim will be entertained over and above the quote. Offers without complete information and pricing will be treated as incomplete and will not be considered for further evaluation.

13. **Guidelines for submission of bids**

13.1 **Un-priced / Technical Bid: Following documents must be submitted as part of the technical bid:**

13.1.1 Technical Proposal (also referred as Technical Bid) should also include the following information as at 13.1.2 to 13.1.4.

13.1.2 **Compliance Statements:**

- a) Compliance matrix as per **Annexure-F** and
- b) Compliance matrix against Commercial terms and conditions at **Annexure-C**.

**Note :** In case of any non-compliance to any of the clauses, it should be provided in compliance matrix and a separate table should be provided giving all the necessary factual and comprehensive details covering the variance/ non-compliance. Insufficient or incomplete details may lead to rejection of the offer. **In respect of Technical specifications, indication of "compliance" needs to be substantiated with details wherever required as per Technical Specification.**

13.1.3. **Integrity Pact:**

As per Government regulation, bidders are required to sign an integrity pact with HAL for this tender. It is mandatory to submit the signed Integrity Pact along with the bids. Bids will not be considered for evaluation without the receipt of signed Integrity Pact. Further, bidders have the option of selecting either Omnibus IP or Standalone IP, formats of such IPs are enclosed with this RFQ. Accordingly, bidders are requested to sign the Integrity Pact (select any one of the IP) in duplicate and forward/ submit the same to reach HAL, ARDC on or before the due date & time of this tender. In case, if bidders had already submitted an Omnibus IP which is valid and accepted by HAL, they shall forward copy of

the same as part of their offer. In respect of IP and its monitoring Independent External Monitors (IEMs) who has been appointed by the Central Vigilance Commission, a statutory body. The present IEMs are:

1. Shri RAJIV, IPS(Retd.)  
Email id: [shreerajiv1975@gmail.com](mailto:shreerajiv1975@gmail.com)
2. Shri Gangaram Aloria, IAS (Retd.)  
Email id: [aloriag@yahoo.co.uk](mailto:aloriag@yahoo.co.uk)

**Further, it may be noted that only integrity Pact related issues should be forwarded to IEM. For all other clarifications on specific tender related queries the undersigned officer of HAL need to be contacted.**

#### **13.1.4 Price formats without figures in Technical Bid**

Vendor should also attach price formats filled-in with all details without prices. The price figures **should not** be filled-in in the format. Vendor should only indicate **'Quoted'/'Not Quoted'/'Not Applicable'** in price column in the price format and enclose the same along with the Technical bid of the tender.

### **13.2. Commercial Bid**

#### **13.2.1 Prices as per schedule**

It should be ensured that all prices/ values payable are specified in the relevant Price Formats. No subsequent addition/ alteration/ claim will be entertained over and above the quoted prices. Offers without complete information and pricing will be treated as incomplete and may not be considered for further evaluation.

**Note: All prices should be provided in the Annexure-D and same should be enclosed in the price bid. Prices should not be indicated in the technical bid documents.**

#### **13.2.2 Applicability of Taxes, duties.**

For details in this regard please refer to sl.no.24 of Annexure-C.

### **14. Evaluation process and Acceptance Criteria**

#### **14.1 Technical bid opening:**

Technical bid against this RFQ would be opened after the closing date of RFQ in the office of Additional General Manager(IMM), Aircraft Research & Design Centre, HAL, Bangalore, INDIA. Interested Bidders or their representative (along with authorization letter) who submit tenders are permitted to witness the tender opening.

#### **14.2 Technical Evaluation:**

All the technical bids submitted by the vendors would be opened and examined for adherence/ compliance to the requirements as specified in this RFQ. In case of ambiguity in statements given by the vendors, HAL may seek information/ clarification from any or all the vendors. Only such offers that meet HAL technical requirements shall be short listed for further commercial evaluation. HAL's discretion in this regard is absolute.

### **14.3. Commercial Bid Opening:**

Commercial bids of short listed vendors whose technical bids have been accepted by HAL only would be opened. The information regarding date and time of opening, would be intimated to only successful vendors. Those Bidders or their representative (along with authorization letter) are permitted to witness the price bid opening.

### **14.4. Commercial Evaluation:**

14.4.1 The commercial evaluation shall be carried out based on the total price as indicated at **Format-V of Annexure-D**. For comparison purpose the prices quoted by the overseas vendors would be loaded with applicable Indian custom duty and Indian taxes and duties, etc. as applicable at the time of technical bid opening to arrive the total landed cost to HAL. The quotes indicated therein might be adjusted for non-compliances or partial compliances of commercial terms and conditions as mentioned at appropriate places in this RFQ.

#### **14.4.2. Purchase preference:**

Purchase preference will be given to Micro and Small Enterprises (MSEs) as defined in public procurement policy for Micro and Small Enterprises (MSEs) Order, 2012 dated 23.03.2012 issued by Ministry of Micro, Small and Medium Enterprises and its subsequent Orders/Notifications issued by concerned Ministry.

Purchase Preference will be given as defined in Public procurement (Preference to Make in India), Order 2017 & its amendments issued by Department for Promotion of Industry and Internal Trade(DPIIT).

Refer Annexure C for details.

### **15. Costs related to this RFQ:**

This RFQ does not oblige HAL to pay any cost incurred by bidders in the preparation or submission of any response including technical / commercial proposals. HAL reserves the right to reject any and /or all responses received to this RFQ without assigning any reasons or to cancel this tender at any stage.

### **16. Miscellaneous:**


- i. Vendor should return all the documents and data supplied by HAL in reference to this RFQ in case vendor does not want to submit the bid or if the vendor's bid is rejected by HAL.
- ii. Bids (in English Language only) should be submitted to reach us on or before due date and time to the following address.

Additional General Manager (IMM),  
Aircraft Research & Design Centre,  
Marathahalli,  
Bangalore-560037  
Tel: +91 80 22315199 / 22324409  
Fax: +91 80 2231 7132

- iii. Any clarifications on the tender should be addressed to [imm.ardc@hal-india.co.in](mailto:imm.ardc@hal-india.co.in) or can be sent to the above address.

Thanking You,

Yours faithfully,  
For Hindustan Aeronautics Ltd.,

  
(Mohan Dass) 21 Nov 2022  
Senior Manager (IMM), ARDC

Encl : As stated above.