

**Date: 20.12.2023**

**Clarification No. 2 to Queries**  
**with respect to**  
**Request for Empanelment**  
**for**  
**Empanelment of Advanced Metering Infrastructure (AMI) Service Provider**  
**for Implementation of Smart Prepaid Metering**

**Queries as per RFE**

S.No	Clause No. as per RFE	RFE’s Provision post issuance of Clarification to Queries and Amendment No.1 to RFE dt. 06.12.2023	Bidders' Queries	PFCCL's Response										
1.	Chapter – 2; Sub-Clause – 2.2.5	Bidders will be empaneled in different groups as per the following: .....	Please provide at least quantity/ percentage breakup of Contiguous and Non-Contiguous electrical locations against each group.	No change envisaged										
2.	Chapter – 2; Sub-Clause – 2.3.5	<div>The estimated project cost for various Groups for the purpose of evaluation of Qualification Requirements and other provisions of the SBD shall be as follows:<table><tr><th>Group</th><th>Estimated Project Cost (INR Cr)</th></tr><tr><td>SPNER1, SPOTH1</td><td>200 (considering 2 lakh nodes)</td></tr><tr><td>N1, W1, S1, E1, SPNER2, SPOTH2, UT, SPUT</td><td>450 (considering 5 lakh nodes)</td></tr><tr><td>N2, W2, S2, E2, SPNER3, SPOTH3</td><td>875 (considering 10 lakh nodes)</td></tr><tr><td>N3, W3, S3, E3</td><td>1700 (considering 20 lakh nodes)</td></tr></table></div>	Group	Estimated Project Cost (INR Cr)	SPNER1, SPOTH1	200 (considering 2 lakh nodes)	N1, W1, S1, E1, SPNER2, SPOTH2, UT, SPUT	450 (considering 5 lakh nodes)	N2, W2, S2, E2, SPNER3, SPOTH3	875 (considering 10 lakh nodes)	N3, W3, S3, E3	1700 (considering 20 lakh nodes)	Here in this clause, Estimation has been considered @10K per point however as per SBD being followed by states per point estimated cost is 6K per point. We request to please amend the clause in line with SBD and/or per point estimated price considered by MoP for RDSS scheme.	Please refer Amendment No. 2 to RFE.
Group	Estimated Project Cost (INR Cr)													
SPNER1, SPOTH1	200 (considering 2 lakh nodes)													
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N3, W3, S3, E3	1700 (considering 20 lakh nodes)													
3.	Chapter – 2; Sub-Clause– 2.3.8	The Applicant shall be required to provide Bid Security of INR One Crore (INR 1,00,00,000). An Application shall be summarily rejected if it is not accompanied by the Bid Security. The Applicant may be asked to submit additional Bid Security during the RFP process in line with the SBD.	Since this tender is for empanelment only, we request you keep a token of Rs. 25 lacs as EMD for empanelment	No change envisaged.										
4.	Chapter – 2; Sub-Clause – 2.4.2	Empaneled Applicants (hereinafter referred as “Bidder”) under the applicable Group shall be required to submit their financial bids as and when invited by PFCCL along with any additional Bid Security as per the terms of the SBD. Non submission of financial bids by empaneled Applicants shall lead to invocation of Bid Security by PFCCL. Further, in	Participation in a RFP against its respective group after empanelment should be the choice of bidder. Forfeiture of Bid Security is not justified in case of non-participation. Kindly amend this clause.	No change envisaged.										
5.		case of forfeiture of Bid Security, the Applicant shall be required to replenish the same within 15(fifteen) days to be eligible for participation in bid for other Group(s) for which the Applicant has been empaneled at the RfE stage. However, such forfeiture of Bid Security shall not be applicable in case the bid invited is for less than 1,00,000 meters at the RFP stage.	We request PFCCL to remove the clause of mandatory submission of the financial bid and on non-submission forfeiture of bid security as the details related to project area along with detailed specs to be shared as part of RFP is not known empanelment stage (RFE Stage). The clause may be modified as: “Empanelled Applicants (hereinafter referred as “Bidder”) under the applicable Group shall submit their financial bids as and when invited by PFCCL along with any additional Bid Security as per the terms of the SBD.”	No change envisaged.										
6.	Chapter – 2; Sub-Clause – 2.4.3	As part of its financial bid, the Bidder may also be required to quote prices for auxiliary LT Items and manpower cost with respect to new requirement for software component in line with the SBD for which the inputs shall be provided to the Bidders at the RFP stage.	We understand that Applicants have to quote only for metering part (per meter per month cost) at the time of RFE. After empanelment & during RFP evaluation, only quoted per meter per month cost of metering part (excluding cost of Auxiliary LT items and manpower cost) will be compared with ceiling rates. For award purpose, total quoted cost (including Auxiliary LT items and manpower cost) would be evaluated. Kindly confirm.	The understanding of the Applicant is correct										
7.	Chapter – 2; Sub-Clause – 2.4.5	PFCCL shall recover a charge of INR [to be intimated at RFP stage]/ meter/ month from DISCOM against an additional payout of INR 1.00/ meter or multiple thereof.	We understand that additional payout amount shall be communicated at RFP stage. However, it is important for applicant to know the rate at which the meter/month rate of applicant shall be reduced. Since it is already clarified that outer limit of 10% WACC shall be considered, it is requested to provide the actual rate of reduction upfront to provide clarity. This would enable submission of competitive empanelment rates.	The details of additional payout shall be communicated at the RFP stage.										
8.			We request to provide clarity on additional upfront payment. The clarity is required for approval of the participation, broader assessment of the fund required etc. by the board of the bidder to take an informed decision.											

9.	<b>Chapter – 2; Sub-Clause – 2.4.6</b>	<p>Accordingly, the AMISP Service Charge component of the financial bid submitted by a Bidder for the AMISP project shall be mandatorily lower than the following ceiling rate:</p> <table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Ceiling Rate (INR/ meter/ month)</td> <td style="text-align: center;">=</td> <td style="text-align: center;">Empaneled Rate (INR/ meter/ month)</td> <td style="text-align: center;">-</td> <td style="text-align: center;">INR X per meter per month * (Additional Payout by PFCCL in INR/ meter)</td> </tr> </table>	Ceiling Rate (INR/ meter/ month)	=	Empaneled Rate (INR/ meter/ month)	-	INR X per meter per month * (Additional Payout by PFCCL in INR/ meter)	<p>Kindly confirm that change in law shall be applicable from the date of submission of RFE as per SBD provisions i.e. Impact of any change in law from the date of submission of RFE to PFCCL shall be considered and paid for to the Applicant. This is to ensure that impact of Change in law from date of submission of RFE till submission of Financial Bid for any respective group is covered.</p> <p>The Applicant had asked a clarification that in various tenders recently floated/ finalized under RDSS scheme, it has been seen that:</p> <ol style="list-style-type: none"> <li>1. Additional technical specifications have been made the part of RFP which led to increase in meter constructional cost.</li> <li>2. Requirement of Offline Recharge Infra/ Recharge Kiosks are different in all the Utilities.</li> <li>3. Some Utilities are binding bidders to use their state specific Data Centres which increases the cost of Cloud Services in comparison to the cost of our pre-tie CSP Partners.</li> <li>4. There is huge difference in the prices of HT Feeder Meters with respect to Accuracy Class - 0.2S or 0.5S.</li> </ol> <p>In such cases, per meter per month cost could go up beyond the ceiling rates. Accordingly, PFCCL was requested to clarify the provision of evaluation of financial bids in such cases. In response, PFCCL has mentioned that the same shall be communicated at the RFP stage. However, we will have to match L1 prices during RFE stage. How could we be sure that our matched L1 prices would make some profit for us without having this information?</p> <p>Further, PFCCL is not giving option to empaneled bidders to quote against a RFP as per its choice/ convenience. Empaneled bidders will have to participate mandatorily for each RFP. In case of non-participation, Bid Security will be forfeited. Hence, we would request you to please let us know the methodology for bid evaluation in such cases.</p>	<p>Please refer Section 7, Clause 19 of the SBD.</p> <p>Same shall be communicated at the RFP stage.</p>
Ceiling Rate (INR/ meter/ month)	=	Empaneled Rate (INR/ meter/ month)	-	INR X per meter per month * (Additional Payout by PFCCL in INR/ meter)					
10.	<b>Chapter – 3; Sub-Clause – 3.1.1</b>	<p>In case Applicants want to apply for different Group(s) with different Consortium Member(s), the same would be allowed. However, they need to submit separate Application along with requisite document. Further, receipt of multiple Applications from any applying entity for any particular Group as sole Applicant and/ or as a Consortium will lead to rejection of all such Applications.</p>	<p>The bidder should be allowed to change the consortium partner and vendors at the time of RFP publication. In case of any change in the consortium partner / vendors, the bidder shall have to submit relevant qualification requirement documents along with fresh consortium / sub-contractor agreements along with the price bid.</p> <p>As we understand, the Empanelment is intended to select 4 AMISPs per package who will have to submit bids during the RFP stage. Since the area details, project details and other requirements shall be notified during the RFP publication, the bidder should have the flexibility to choose / change consortium partners at the time of bid submission. This shall enable bidder to quote a better price which shall be beneficial for PFCCL too. Restricting the bidder to choose only one consortium partner in any of the categories may create difficulties for the AMISPs to participate during the RFP stage. As AMISP has the total responsibility for end-to-end project execution, changing of consortium partner at the RFP stage shall not be a challenge. Furthermore, in the SBD, under Survival clause 28.4, AMISP is allowed to change the consortium partner which shows the intent to provide flexibility to the AMISP.</p>	<p>In exceptional circumstances, PFCCL at its sole discretion, may allow a change in Consortium Members (other than the Lead Consortium Member) in a Consortium empaneled for a particular Group. Any such change request shall be evaluated as per the terms of RfE and SBD.</p> <p>Further, the Applicant may also refer Section 3, Clause 30 of the SBD regarding change in equity participation of any of the consortium members in the SPV to be formed.</p>					
11.	<b>Chapter – 3; Sub-Clause – 3.1.1 (1)</b>	<p>Sole/ Lead Applicant must have either:</p> <p>(a) paid for, or received payments for, construction of Eligible Project(s); Or</p> <p>(b) paid for development of Eligible project(s)</p>	<p>The Applicant had sought clarification that it understands that,</p> <ol style="list-style-type: none"> <li>1. As Invoiced Value is the executed value of project, the submission of C.A. Certificate to demonstrate the Executed Value/ Invoiced Amount of Projects (for which Client Certificate is not available) will suffice this</li> </ol>	<p>Please refer Section 2, Clause 8.1 of the SBD regarding documents required to be submitted by the Applicant and Section 2, Clause 8.3 of</p>					

		in the infrastructure sector in the last 7 (seven) Financial Years with aggregate project value of not less than 50% of the Estimated Project Cost	requirement. 2.If a Project had been started before 7 years but that project has been completed in last 7 years, the complete value of project will be considered against this requirement. In response, PFCCL mentioned that the same shall be in line with the provisions of SBD. However, it is not specified in SBD. Kindly confirm.	the SBD for the purpose of satisfaction of Technical Requirement.																								
12.	Chapter – 3.2	Transaction Fee for MSTC the Procurement portal (Non- Refundable): INR 25,000 + GST (as per applicable rate)	Procedure for submission of processing fee is not specified at the given clause in RFE. Kindly specify.	MSTC’s Transaction Fee needs to be paid online. For any clarification regarding bidding on MSTC portal, the Applicant may contact MSTC as per details mentioned in the RFE.																								
13.		Bid Security (Refundable/ Non-Refundable)	We understand that Bid security shall be made with validity 33 months (24 months of empanelment + 6 months application validity as per Clause 3.4. Format of Covering Letter of the Application + 3 months additional validity as per SBD) with a further claim period of 3 months. Kindly confirm.  Further, please confirm whether we can use the Bank Details provided by PFCCL for submission of Tender Fee (at pt.16 of latest amendment issued) for the purpose of making of Bid Security.	Validity of Bid Security shall be in line with the provisions of the SBD considering that the Application would be valid till the tenure of empanelment.  Yes																								
14.	Chapter 3, Clause 3.2.1	<table><tr><td></td><td></td><td>Date</td><td>Time</td></tr><tr><td>a)</td><td>Commencement of downloading of this RFE</td><td>9.11.2023</td><td>10:00 hrs</td></tr><tr><td>b)</td><td>Pre-Empanelment meeting</td><td>23.11.2023</td><td>11:00 hrs</td></tr><tr><td>c)</td><td>Last date for submitting the Application</td><td>22.12.2023</td><td>15:00 hrs</td></tr><tr><td>d)</td><td>Date of Opening of Technical Proposal</td><td>22.12.2023</td><td>15:30 hrs</td></tr><tr><td>e)</td><td>Opening of Financial Proposal</td><td colspan="2">To be intimated later</td></tr></table>			Date	Time	a)	Commencement of downloading of this RFE	9.11.2023	10:00 hrs	b)	Pre-Empanelment meeting	23.11.2023	11:00 hrs	c)	Last date for submitting the Application	22.12.2023	15:00 hrs	d)	Date of Opening of Technical Proposal	22.12.2023	15:30 hrs	e)	Opening of Financial Proposal	To be intimated later		It is requested to extend the date of submission of RFE application to 2-4 weeks for enabling better assessment.  We request you to please make RFE submission date extended to 31 <sup>st</sup> January 2024. This requested extension period will help us to complete the RFE requirement of getting prior empanelment with REC.	Please refer Amendment No. 2 to RFE.
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15.	Chapter 3, Clause 3.4 (Pt. 3)	We have enclosed a Bid Security of [Amount] in the form of a Bank Guarantee No. .... [Insert Bank Guarantee Number] (OR Demand Draft) dated .....[Insert date of the Bank Guarantee] as per Form 6 given in Section 4 from .....[Insert name of Bank providing Bid Bond] and valid up to [Date].	For Bid Security Bank Guarantee format is not available in the RFE document. Please provide the Bank Guarantee format or Kindly Confirm the Bank Guarantee format is as per SBD.	The Bank Guarantee shall be in line with the formats provided in the SBD.																								
16.	Chapter 3, Clause 3.4 (Pt. 17)	We confirm that we are not currently banned/ debarred by PFCCL/ Utility or any of their subsidiaries/ holding company	We request to amend this clause in line with the SBD.	Same shall be as per provisions of SBD.																								
17.	Chapter 3.5	Financial Proposal	We understand that we have to submit per meter per month cost in the financial bid. Lump-sum / GBS shall be paid additionally/ Over & Above these quoted per meter per month cost as per RDSS SBD. It is not required to specify in the Financial Bid. Kindly confirm.	GBS for the project shall be in line with RDSS Guidelines and provisions of SBD. The same needs to be factored in by the Applicant while submitting Financial Proposal as per format given in clause 3.5 of RFE.																								
18.	General	-	PFCCL was asked to confirm that after PFC empanelment, during RFP stage, we understand that a PFC Empaneled bidder (If Meter Manufacturer) who is participating in a particular RFP as a Sole bidder/ Lead Consortium Member can also become subcontractor/ Meter OEM of other multiple bidders for the same RFP. In response, PFCCL has mentioned to refer Clause 11.1 under Section 3 of the SBD. However, it is not specified at the given clause in SBD. Kindly confirm.	The clauses of SBD are amply clear in this regard.																								

**Queries as per SBD**

S.No	Clause as per SBD	SBD's provision post issuance of Clarification to Queries and Amendment No. 1 to RFE dt. 06.12.2023	Bidder's Queries	PFCCL's Response
1.	<b>Section 3. Clause 29.2</b>	PFCCL shall, as a condition precedent to the award of the contract to the selected bidder and after establishment of a Direct Debit Facility by the Utility in favour of PFCCL, establish a Direct Debit Facility as mentioned in GCC Clause 5.2	The modification in standard clauses of SBD creates ambiguity with regard to opening of DDF facility and needs clarity before submission of the RFE. Kindly confirm our understanding that in case Utility is not able to establish Direct Debit Facility in favour of PFCCL: a) Applicant will not be bound to go ahead for signing of the AMISP Contract and in such scenario its bank guarantee shall be returned back to the Applicant. b) EMD submitted under RFE shall not be forfeited by PFCCL.	Direct Debit Facility (DDF) will be established by the Utility in favour of PFCCL as per RDSS Guidelines
2.			As the signing of the DDF agreement between PFCCL and Utility is bound to affect the selected AMISP, we request any delay/non execution of the signing of DDF or any change in terms beyond SBD must not be bounded on AMISP.  We request to allow AMISP to have the right to evaluate the terms and condition to execute the agreement and also its bid security must not be forfeited for the same if the contract doesn't get executed because of the same.	No change envisaged.
3.	<b>Section 7. Clause 5.2.7</b>	PFCCL shall, as a condition precedent to the award of the contract to the selected bidder and after establishment of a Direct Debit Facility by the Utility in favour of PFCCL, establish a Direct Debit Facility for the payments received from the Utility to ensure recovery of the amount due to be paid to the AMISP including amount due to be paid towards supplementary invoice. In this regard, PFCCL shall create a separate facility for receipt of payment by PFCCL from Utility. This facility shall be configurable for direct debit of 100% (hundred percent) of the monthly payment due to the AMISP	1) Same Clarification as in case of Sr No 1 above 2) Kindly confirm our understanding that in RFP or in back to back agreement to be signed between PFCCL and respective utility(ies), the clauses related to DDF, incentive, delay payment interest etc in Section 3 Clause 29.2, Section 7, Clause 5.2.6, 5.2.7, 5.2.8, 5.2.9, 5.2.13, 5.2.14, 5.2.16, 7.4 & 7.5 shall be kept strictly as per SBD provisions.	The agreement between PFCCL and the Utility shall be as per RDSS Guidelines and Project Implementation Agency (PIA) Scheme of Ministry of Power, Government of India (GoI).
4.	<b>Section 7. Clause 5.2.13</b>	For lumpsum payment against Auxiliary LT items, the AMISP shall raise and deliver a separate invoice on a quarterly basis and payment for the same shall be released by PFCCL through electronic mode in designated bank account of the AMISP on receipt of the corresponding amount by PFCCL from the Utility. The payment against this invoice shall not be included as part of the direct debit mechanism as mentioned in Article 5.2.8 above and PFCCL shall reconcile and release the undisputed payment within 70 (Seventy) days of receipt of invoices along with requisite documents. The disputed amount shall be dealt as per Article 13 of this Contract.	Receipt of timely payment from utility is an essential requirement to submit competitive empanelment rates. Further the clauses of delayed payment interest rates are essential to obtain financing for the projects from Banks.  Accordingly request you to re-instate the delayed payment interest clause as per SBD.	No change envisaged.
5.	<b>Section 7. Clause 5.2.14</b>	Deleted		
6.	<b>Section 7. Clause 7.4</b>	Deleted	Request to restore incentive clause as per SBD, the same shall help in obtaining competitive empanelment rates.	No change envisaged.
7.	<b>Section 7. Clause 7.5</b>	Deleted		
8.	<b>Clause 8.1.2</b>	Sole/ Lead Bidder/ any other Consortium Member must have experience of integration of head-end system with MDM on standard interfaces and data exchange models for at least 20,000 consumers / end points (cumulatively) in an Indian/ Global Utility (power/ water/ natural gas/	The present empanelment process has been called by PFCCL to shortlist bidders for future AMISP project allocated by various states divided in 20 cluster for period of 2 years. Please note most of the AMISP project has been recently awarded or under finalisation and there are very limited financial capable AMISP meeting the requirement No 2 above as sole bidder. Most of the financial capable AMISP meeting the requirement under S.No 1 and 3, are forming the consortium with	No Change envisaged.

		<p>telecom) in the last 7 (seven) years which are in operation for at least 1 (one) year.</p>	<p>System integrator (SI) to meet the specific requirement under S.No 2. There is minimum equity commitment which each of the consortium member need to provide which is 10%, however lead member was allowed to provide additional BG to meet full equity commitment under the project and consortium other member meeting the role of only SI without equity commitment.</p> <p>The empanelment process is long drawn process and forming the consortium is always specific to the project and generally cannot be done on global level for all the projects or clusters. Further the partner also evaluates the current commitment in the ongoing projects and presence in the utility to decide on the participation which at present is not known. Further the formation of consortium also limits the participation of the bidder as there are limited number of System Integrating meeting requirement under S.No. 2.</p> <p>In addition, as you are aware that System integrator have not much financial strength to meet the equity obligation commitment in the DBFOOT projects and cannot participate directly.</p> <p>There is clearly defined the minimum experience for all the major component such as meter, HES, MDM and SI. The requirement under S.No 2 can be specified to be met under vendor route so that the minimum qualification of SBD can be met in the AMISP along with 100% equity commitment with additional performance BG stipulated in SBD. This will allow wider participation of the prospective AMISP rather than limiting it to few select AMISP executing the projects. The formation of Consortium at the stage of empanelment needs to be reviewed and allowed to be formed at the time of award. There can be provision of allowing specific support agreement given along with the Manufacturing Authorization of the vendor, as needed.</p> <p>Please review this requirement and allow more prospective AMISP to participate giving full equity commitment along with additional BG as per SBD instead of insisting to get into consortium agreement at empanelment stage and limiting the bidders.</p>	
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**Note: No further queries related to RFE or SBD shall be entertained/ considered.**