



Hiring of Vendors

Debt collection services - SRC
Terms of Reference

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SECTION 1: BACKGROUND

The extent of reliance on Recovery Vendor (“**Recovery Vendor**”) engagement in our recovery system is an overwhelming consideration for creating a standardized system to deal with vendor hiring process. With the ever-increasing population of Karachi, bringing in increasing challenges facing the business viability of KE. The company has been persistently initiating a wide range of recovery efforts on chronic defaulter portfolio to sustain and strengthen overall recovery numbers of KE. A reasonable proportion of the chronic defaulter portfolio is assigned to external debt collection vendors who manage and control timely recoveries and help KE better optimize receivable management; an approach that aims to utilize minimum number of resources and produce maximum output in terms of productivity, economy and effectiveness.

With increasing chronic defaulters, need arises of increasing recovery vendors to ensure focused efforts on assigned defaulters. The process which is being introduced for hiring of vendors will ensure transparency and competitiveness and will reduce dependency on limited vendors. The new process will provide platform to KE-CRMC for hiring vendors at any given point of time considering the business need.

A) DEFINITIONS

	Terms	Definition
1	SRC	A KE recovery approach applicable to a specific set of consumers who are defaulters and have been charged IRB (Irregular Billing) within the last twelve (12) rolling months, and who may fall under the Ordinary and/or Active categories, excluding industrial and government-sector consumers.
2	Defaulters	KE consumers who have unpaid electricity bills including outstanding arrears and/or current dues.
3	IRB Defaulters	Consumers who have been charged an IRB (Irregular Billing) amount due to theft of electricity.
4	Ordinary Defaulters	Consumers belong to the residential or commercial category and exclude industrial and government-sector consumers.
5	Active Defaulters	Consumers who are currently using electricity and bills are being charged.
6	IPC	Insulation Piercing Connector (IPC) or any similar connector/ device used on KE’s network, including where removal/disconnection is carried out as part of recovery/disconnection activities.

7	Lineman	A qualified and authorized technical resource (typically certified/competent per applicable requirements) responsible for technical field activities including safe disconnection/reconnection.
8	Karkun	A non-technical support resource deployed to assist lineman, without performing technical electrical work.
9	Recovery officer/ Recovery Agent/ external Recovery Vendor	A field resource deployed by the Recovery Vendor(s) responsible for conducting recovery activities (e.g., visits/door knocking, follow-ups, notices, documentation, coordination) and recording recovery attempts.
10	Disconnection team	A team deployed by the Recovery Vendor(s) to perform disconnection-related recovery activities, typically comprising a Lineman (technical) and required support resources (e.g., Karkun).
11	MTL	A vehicle-mounted ladder used to provide safe access for working at height during field operations, including mass disconnection drives.

SECTION 2: OBJECTIVE

The purpose of this document is to define a comprehensive set of Terms of Reference (“**TORs**”) for the hiring of debt collection services for KE’s consumers who are chronic defaulters (“**Defaulters**”), including the procedures and eligibility requirements for vendors. It is intended to support and streamline the outsourcing of debt collection services by clearly outlining the overall hiring process.

SECTION 3: STAKEHOLDERS

- a) Central Receivable Management
- b) Distribution Operations
- c) Business Finance
- d) Recovery Vendors
- e) Procurement
- f) Business Strategy
- g) HSEQ – Distribution
- h) Legal

SECTION 4: SCOPE

A) CRITERIA

A proactive, multi-level recovery approach is expected for the identified population, whereby IRB defaulters are engaged through multiple channels to facilitate settlement with KE. The objective of this approach is to convert Defaulters into regular payers and ensure full settlement of their outstanding balances (“**Project**”).

KE has established specific Defaulters criteria to identify the eligible population that may be assigned to external vendors under the SRC approach for recovery of dues and current bill.

Defaulters meeting the following criteria shall be considered for inclusion in the SRC portfolio:

- IRB Defaulters
- Ordinary Defaulters
- Active Defaulters
- Defaulters that are neither industrial nor government connections

Based on approved criteria, below mentioned tentative SRC portfolio has been finalized for FY27. IRB consumers related to Mar 26 – Jun 26 will be added further in portfolio based on approved criteria at the time of assignment to the selected vendors.

Consumers	FY26 Projected			FY27 Target		
	Billing	Recovery	RR	Billing	Recovery	RR
156,451	30,977,482,144	2,791,793,785	9%	30,977,482,144	6,660,158,661	21.5%

Above mentioned target and base numbers may change in case of addition of further portfolio as per approved criteria and same will be communicated to recovery vendors accordingly at the time of assignment.

Defaulters shall be assigned to Recovery Vendor(s) for a standard period of one (1) year, or as otherwise determined at KE's discretion. In case of underperformance by the Recovery Vendor, same can be withdraw/reduced/reallocate at KE's discretion. The half yearly review of performance against the assigned targets will be carried out, and partial/full Portfolio can be withdrawn from lowest performing vendor. Portfolio will be assigned to vendors once all requirements / prerequisites mentioned in TORs are completely met. In case of continuous unavailability of requirements mentioned in TORs, portfolio can be assigned to another vendor at KE's discretion.

KE reserves the right to assign Defaulters beyond the above-defined criteria where deemed necessary to meet business requirements. Additionally, KE retains the right to assign or withdraw Defaulters from Recovery Vendors, in writing, at any time and without prior notice.

B) MODE OF RECOVERY

Recovery Vendor(s) are expected to adopt appropriate recovery methods to ensure effective engagement with Defaulters and maximize the recovery of outstanding dues. Recovery Vendor(s) shall carry out recovery efforts on assigned Defaulters through the following modes:

1. Sending SMS for payment reminders,
2. Making phone calls,
3. Locating accurate address of Defaulter,
4. Physically visit the Defaulter premises,
5. Disconnection of meter or overhead by removing IPC,
6. Engagement with area representatives and community for recovery
7. Understand the prevailing settlement scheme & effectively encourage Defaulters towards enrollment and subsequent payment.

8. Deployment of resources including MTLs for mass disconnection drives.

KE expects its Recovery Vendor(s) to carry out all such recovery activities in accordance with KE standard policies and procedures prescribed for recovery of outstanding bills from Defaulters .

The Recovery Vendor(s) shall ensure that payments being recovered from assigned Defaulters in respect of bills will be made through KE's approved modes of payment through financial institutions.

The Recovery Vendor(s) shall not undertake any recovery in cash/Bank Instruments or receive any funds from Defaulters in their own name..

In case of settlement of a case, the Recovery Vendor(s) shall be responsible for monitoring payments in lieu of recovery of that case till the total amount is recovered and settled.

C) SYSTEM REQUIREMENTS

One of the major feature requirements that is expected from Recovery Vendor is its MIS (Management Information System ("**MIS**") that should ensure accurate recording of field information.

KE expects its Recovery Vendor(s) to be equipped with a data management system that can provide all relevant information as defined under "Data Requirements" as and when requested by KE.

1. A fully integrated android application that should be able to capture on-field data points required to be captured by recovery officers and disconnection teams.
2. A desktop solution integrated with app to show live updates of all resources available on field along with geofencing.
3. Solution should provide visibility of remarks and data being submitted by disconnection teams and recovery officers.
4. An integrated software to make phone calls and send SMS to consumers assigned for recovery purposes and relevant remarks against the efforts made through both mediums recorded in above mentioned MIS.
5. All recovery officers to be equipped with handheld or smartphone devices with application that are synched with the above-mentioned MIS.
6. Complete access to desktop version of application will be provided to KE-CRMC before assignment of portfolio.
7. Vendor to provide application architecture and hosting details as and when required basis for IT governance.

D) COORDINATION WITH STAKEHOLDERS

Strong communication is essential for effective coordination between Recovery Vendor(s) and KE stakeholders. Accordingly, Recovery Vendor(s) shall ensure close coordination with relevant stakeholders through the following:

1. Submission of daily reports to KE's Interconnected Business Center ("**IBC**") twice a day (morning and evening) for schedule alignment and monitoring progress of recovery efforts on assigned Defaulters.
2. Mandatory attendance at daily toolbox talks ("**TBT**") conducted at IBC premises through Vendor's supervisor.
3. Timely communication and discussion of on-ground issues with IBC and KE CRMC to determine the most appropriate course of action for Defaulters.
4. Regular communication by Recovery Vendor(s) Personnel with CRMC ensuring complete and accurate sharing of data related to recovery efforts undertaken by recovery officers and disconnection teams, as and when required.

E) DATA REQUIREMENT

The data requirements aim to cover data points which will be required to submit by the Recovery Vendor(s) to KE. Recovery vendor shall ensure to provide access of desktop version related to mobility solution to KE so that data can be extracted as and when required basis. All the below mentioned data point must be extractable from the Recovery Vendor(s) MIS in excel from mobility solution.

Recovery Vendor(s) will be required to submit details of recovery efforts on a daily basis and as and when required basis to CRMC including the standard remarks against each attempt as mentioned below. Please note that the MIS and handheld application must continue to synch with each other updating daily field operations data. Recovery officers will be required to use below-mentioned standard remarks for submission of attempts through application.

Attempt Remarks	Abbreviation	Description
AGREED TO PAY	ATP	Consumer has agreed to make payment upon visit of RO.
BILL NOT RECEIVED	BNR	Consumer did not receive his monthly energy bill but has agreed to make payment once he receives his energy bill. RO to provide duplicate bill and ensure payment
BILLING DISPUTE	BD	Consumer has launched a billing dispute complaint and refuses to pay. However, RO must ensure partial or at-least current bill payment
COURT CASE	CC	There is currently a court case active for this case while previous dues have been set aside. RO to encourage partial or at-least current bill payment
FOLLOW UP VISIT REQUIRED	FUV	Consumer has agreed to make payment at a later time and requires another visit to follow up for payment
NEGOTIATIONS UNDER WAY	NUW	Due to heavy outstanding dues at consumer account, RO is engaged in negotiations with consumer. IBC teams may also be involved in instances where token/installment bill is needed

Attempt Remarks	Abbreviation	Description
WARNING	W	Consumer was given a warning to make timely payment of the KE bill or may face subsequent actions under the NEPRA regulations. RO should follow up on such consumers.
ALREADY PAID	AP	Upon RO visit, it was found that the consumer had already made the payment prior to the visit of agency's appointed RO. RO must enter Already Paid remarks to indicate that consumer was an auto-payer.
REFER TO IBC	RIBC	RO could not ensure payment from the consumer and requested IBC to conduct disconnection.
ADDRESS NOT FOUND	ANF	RO was not able to locate consumer premises. This remark is critical to KE database since all such consumers shall undergo address correction and/or survey by KE
NOT AGREED TO PAY	NAP	Consumer has not agreed and resorted to non-payment
NOT ATTEMPTED	NA	Consumer could not be attempted, or no remarks were submitted by recovery agent, and system has automatically marked as NA
PREMISES CLOSED	PC	Upon RO visit, premise of the consumer was closed
NOT ALLOWED	NA	Consumer did not allow RO to visit or open the door for recovery efforts.
AGREED TO PAY	ATP	Consumer has agreed to make payment upon visit of RO.
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PREMISES CLOSED	PC	Upon RO visit, premise of the consumer was closed
NOT ALLOWED	NA	Consumer did not allow RO to visit or open the door for recovery efforts.

Recovery Vendor(s) disconnection team(s) will be required to submit details of recovery efforts with the following details:

Remarks	Pictures	Meter Reading	Meter number
Already Paid (AP)	Paid Bill /Meter Picture	Required	Required
Disputed billing (DB)	Meter Picture	Required	Required
Disconnected (DC)	Pre and Post DC Picture Meter Picture	Required	Required
Found DC(FD)	Disconnected Meter picture / Disconnected line		Required
Not Allowed (NA)	Premises Picture		
No Meter Hook Removed (NM)	Premises picture Kunda/ illegal connection Picture Kunda/ Illegal Connection Removal Picture		
Permanent Premises Closed (PPC)	Premises picture		
Rebate (R)	Meter Picture	Required	Required
Temporary Premises Closed (TPC)	Premises picture		
Warning (W)	Meter Picture	Required	Required
Court Case (CC)	Meter Picture	Required	Required

The Recovery Vendor(s) shall retain MIS data in the agreed format on any server or device for a minimum period of five (5) years from the commencement of the Project.

The Recovery Vendor(s) are expected to submit below mentioned data to CRMC team extractable from its MIS:

1. Defaulter name
2. Defaulter contract number
3. GPS Coordinates (latitude and longitude)
4. Meter Reading for disconnection only
5. IBC name

6. Attempt date
7. Attempt remarks
8. Name of recovery officer / lineman (physical attempt)
9. Designation of resource (recovery officer / lineman)
10. Employee ID of resource
11. Type of attempt

F) RESOURCE REQUIREMENT

1. Recovery Vendor(s) shall ensure that suitably qualified Recovery Vendor(s) Personnel are able to carry out the Services and perform disconnection of the assigned Defaulters. Such Recovery Vendor(s) Personnel should also be able to reconnect the Defaulter's connection once their bills are paid. Recovery Vendor(s) shall also ensure that their Personnels hold knowledge of KE safety standards and ensure highest possible precautions while disconnecting the Defaulters.
2. Recovery Vendor shall deploy recovery officers to attempt and reattempt the assigned cases for door knocking activity.
3. Recovery Vendor shall deploy disconnection teams including linemen (certified by relevant institutions/Authority) and Karkun / help and support services (which can be non-technical) to comply with KE standards and HSE policy. To ensure the deployment of certified linemen, shortlisted Recovery Vendor(s) will be given a quarter after assignment of Portfolio to complete the certification of linemen. In case of non-compliance at the completion of quarter, Portfolio can be partially / fully withdraw at KE's discretion.
4. Recovery Vendor(s) shall depute at least one supervisor per IBC whose prime responsibility is to manage recovery teams deputed for recovery including the disconnection recovery team. Supervisor must make sure that all recovery teams are effectively mobilized into their designated areas of recovery and are working as per KE SOPs, including safety precautions.
5. In case of MTL deployment by the Recovery Vendor(s) with his recovery and disconnection teams for disconnection and recovery efforts, vehicle should be equipped with following:
 - a) Recovery Vendor(s) Personnel deployed by the Recovery Vendor(s) shall be equipped with appropriate uniforms so that they may be identified as personnel of the Service Provider.
 - b) Fire Extinguisher
 - c) First Aid Box / Kit
 - d) Safety Cones
 - e) MTL should be in safe workable condition as per KE standards
6. Recovery Vendor shall ensure complete deployment of resources including recovery officer, disconnection team and MTL against the assigned Portfolio on following basis:
 - 1- One Recovery officer against 550 cases each
 - 2- One disconnection team including linemen and Karkun against 1100 cases each.
 - 3- MTLs should be half of disconnection teams deployed.

7. Recovery Vendor shall ensure at least 90% of required resource deployment against the assigned Defaulters on the basis of above-mentioned ratio. In case of continuous underemployment of resources, following action will be taken:
 1. 1st & 2nd months – Warning
 2. 3rd month – partial Portfolio withdraw
 3. 4th month - complete Portfolio withdraw

Recovery Vendor achieving monthly and year to date targets will not be applied resource related withdrawn of Portfolio.

G) VENDOR OBLIGATION

- 1.1 The Recovery Vendor must always ensure that when Recovery Vendor's Personnel are on KE's premises they:
 - (a) have a copy of KE's Policies applicable to the Recovery Vendor and that they comply immediately and fully with KE's policies.
 - (b) immediately leave KE's premises if they are directed to leave KE's premises.
 - (c) Always conduct themselves professionally to cause the minimum disruption to KE's business; and
 - (d) comply fully with all safety, health, environmental and other policies of KE notified to the Recovery Vendors from time to time, and all relevant legislation mentioned in TORs and addition to it during the period.
- 1.2 The Recovery Vendor hereby represents that it complies and shall continue to comply with, adhere and strictly follow all the applicable labor laws, rules, regulations and requirements in respect of all matter relating to the Recovery Vendor Personnel, including but not limited to minimum Wage, health and safety, restrictions on working hours, leaves and holidays without pay, etc.
- 1.3 In case of accident, theft or robbery by any Recovery Vendor Personnel providing Services pursuant to these TORs, Recovery Vendor shall register FIR /roznamcha/police report (wherever applicable). However, if KE is convinced that the incident is a result of negligence on the part of the Recovery Vendor, KE shall have exclusive rights to immediately terminate the Services being provided by the Recovery Vendor at the sole risk as to cost of the Recovery Vendor.
- 1.4 In no event, Recovery Vendor(s) Personnel shall be deemed to be employees of KE, and no claim whatsoever would be entertained by KE including wages, salary, compensation and / or any statutory benefits due under the labor laws and other legislation. Recovery Vendor shall be responsible for providing such amenities to Recovery Vendor Personnel admissible under the laws/rules and services conditions. Recovery Vendor shall duly discharge all its legal obligations towards Recovery Vendor Personnel as their sole employer under the laws of Islamic Republic of Pakistan and shall keep KE fully indemnified and harmless against any claims, demands, costs, proceedings, litigations, any damage to properties, Recovery Vendor Personnel and assets of Service provided and expenses etc. For the avoidance of doubt KE

shall have no responsibility payments to or in respect of Recovery Vendor(s) Personnel appointed by the Recovery Vendor from time to time under this Agreement.

- 1.5 Recovery Vendor(s) Personnel performing the services under this TORs shall in all respects be employees of Recovery Vendor and they shall not be assigned to render Services to any other party while they are providing services under this TORs at KE. The Recovery Vendor(s) shall further ensure that its personnel are not simultaneously engaged in providing similar or any other services to any other company for the Recovery Vendor, in order to maintain the quality and quantity of services under these TORs. Vendor to provide All Recovery Vendor(s) Personnel shall remain under the exclusive control and supervision of Recovery Vendor. In this regard, Recovery Vendor confirms that all such Recovery Vendor(s) Personnel will only be employed by them after completion of due diligence, character checking, police clearance and necessary medical tests for ensuring delivery of service through competent and professional resources of the Recovery Vendor. Recovery Vendor should not have any ex-employee of KE or any employee of any other vendor providing services to KE on its employment for the purposes of providing services to KE under this arrangement, without the written consent of KE. Recovery vendor(s) must provide the list of field resources engaged for another recovery project other than KE for verification of dual employment.
- 1.6 Recovery Vendor should provide medical services at its own expense, in case of any emergency and/or injury of Recovery Vendor Personnel at KE workplace, KE shall provide emergency treatment/first aid medical services. Notwithstanding, KE shall not be responsible for any remedial measure and/or compensation in case of any accident, injury or fatal accident during the course of recovery efforts carried out by vendor personnel providing services under this TORs. In this regard Recovery Vendor shall self-insure or take out an insurance policy with a creditable insurance company for any/all third-party liability claims that may occur during the provision of Services under this TORs.
- 1.7 Recovery Vendor(s) Personnel shall not discuss remuneration, compensation model and benefits of KE with the Recovery Vendor and KE employees and maintain confidentiality.
- 1.8 The reconnection of previously disconnected Defaulters whose connection was disconnected by the Recovery Vendor, will be responsibility of Recovery Vendor after payment of outstanding dues or partial settlement. If requested by the Recovery Vendor, IBC can facilitate reconnection.
- 1.9 Recovery Vendor(s) ensure the timely and complete deployment of adequate and qualified resources along with MTLs as per resources requirement mentioned above.

H) OTHER TERMS AND CONDITIONS

1. Target based commission structure:

The service fee to the Recovery Vendor shall be calculated on a monthly basis and shall be linked to the total target-based recovered amount. A target-based service fee structure shall be implemented to align SRC portfolio recoveries with KE's recovery targets. The commission/service fee percentage shall be quoted by the vendors.

2. Portfolio addition/revocation based on performance:

The Recovery Vendor's performance against the assigned recovery targets will be monitored on a regular basis. Based on the outcome of the half yearly performance review, KE may, at its discretion, increase or partially withdraw the allocated Portfolio. In the event of underachievement of the assigned targets, KE reserves the right to terminate the Recovery Vendor by giving thirty (30) days' prior written notice.

3. Payment cycle days:

Payment of monthly invoices shall be paid within forty-five (45) days of submission of invoice by Recovery Vendor.

SECTION 5: HSE COMPLIANCE

A) HSE POLICIES / TERMS & CONDITIONS

Recovery Vendor shall ensure compliance with all KE HSE policies and manuals including:

1. Deployment of HSE coordinator who will be responsible for monitoring the HSE related practices covered in vendor HSE policies and manuals.
2. Active engagement of the HSE Coordinator in daily operations, including timely reporting of any incidents or non-compliance to IBC and CRMC.
3. Recovery Vendor(s) to ensure mandatory availability of resources at safety parades and safety meetings and with timely closure of observations.
4. Recovery Vendor(s) to ensure submission of monthly management safety audits (MSA) conducted by the HSE Coordinator in the prescribed HSE MSA format. Recovery Vendor HSE coordinator shall ensure to carry out at least one MSA in a month and submit to CRMC.
5. Recovery Vendor(s) to ensure MTLs deployment as per the criteria / check list mentioned below:

MTL Check List - Any MTL that violates any critical parameter shall be deemed **"not ready for field operations."** Non-critical violations must be rectified within two working days.

Sr.	Parameters	Criteria	Critical / non-critical	Remarks
1	Indicators	Operational	Critical	
2	Cabin Seat Belts	Operational	Critical	
3	Side View Mirrors	Availability	Critical	
4	Brakes	Operational as per driver confirmation	Critical	
5	Hand Brake	Operational	Critical	
6	Fire Extinguisher	Available (filled and with valid date)	Critical	

7	First Aid Box	Available as mentioned below (List of 18 items should be checked)	Critical	
8	Crew Seats	Available with seat belts	Critical	
9	Documentation	1- Valid company ID card. 2- Valid driving license. 3- Learner License.	Critical	
10	MTL Ladder	Follow MTL Ladder Safety Daily Inspection Checklist as follows	Critical	
11	Safety Cones	Availability of 04 Safety cone should be self-standing with reflectors in healthy condition. Minor damage to edges is acceptable	Critical non-critical	Reflectors are not necessary during day activity
12	Wind Screen	Hair line cracks are acceptable. Combination break (Flower) is not acceptable	Non-Critical Critical	But Non-critical or Negotiable if slight crack is not hazardous and risky. (May refer to CRMC for Final decision)
13	Wheel Chocks	Availability	Non-Critical	Critical only in hilly areas
14	Headlights	Operational on high or low beam. For vehicles operating in daylight, it is not critical	Non-Critical	Critical at night but not in day.
15	Reverse Buzzer	Operational	Non-Critical	
16	Tyres	Operational with visible grooves.	Non-Critical	
17	Backlights	Operational	Non-Critical	
18	Horn	Operational	Non-Critical	

- **MTL ladder checklist (KE/HSEQ-D/RP/32 – Clause 5.3)**

- MTL Ladder should be inspected before use as per the Annexure B
- 2 Workers are not permitted at the same time on the MTL ladder.
- 100 % latching should be ensured during ascending & descending.
- MTL ladder needs to be locked before ascending.
- 3-point contact should be maintained all the time while ascending & descending.
- No worker is allowed to carry tools/equipment in their hands while ascending/descending.
- Ensure the line is isolated before reaching to the working point where required.
- Always face the ladder while climbing and use both hands.
- When the ladder is extended to its full length, no worker is allowed to work from its last rung.

- The worker must ensure that they do not work at the top of the ladder but instead leave two steps from the top and work from that position.

- **Portable ladder (Fiber/Aluminum/wood/Bamboo)**

Portable ladders may be utilized for disconnection activities in locations where access via MTL is not feasible.

- Loose, cracked, bent or missing steps
- Loose, cracked, bent side rails
- Loose nails, bolts, screws
- Any makeshift repair on ladder
- Loose, bent, broken spreader
- Base or Top damaged
- Any other hazard observed

- **First Aid Box Item list**

First Aid Box will be required with each MTL including the following items:

- Adhesive plaster
- Bandage 2"
- Cotton 100 Grams
- Crepe Bandage 4"
- Forceps
- Gauze Pad Sterilized
- Gloves (Latex) Disposable
- Normal Saline Ampoule
- ORS
- Sani Plast
- Scissor
- Splints
- Tinc. Pyo dine (60 ml)
- Torniquet
- Triangular Bandage
- Mouthpiece for CPR
- First Aid Box

Recovery Vendor(s) shall ensure to equip resources with the following PPEs & SPEs as per KE approved specifications for the disconnection drives to maintain safety and quality of Services:

- a) Safety Helmet with chin strip
- b) Full body harness belt with lanyard with double hook
- c) Face shield
- d) Anti-flash hood
- e) Live line tester
- f) Gum Boot
- g) Raincoat
- h) Insulated tools
- i) COVID 19 PPE (Face mask & Sanitizer)
- j) Safety Belt

- k) Safety Shoes
- l) Rubber Gloves
- m) Leather Gloves
- n) Elect. PLER
- o) Screwdriver (L)
- p) Screwdriver (S)
- q) Adj. SPNR
- r) Hack Shaw
- s) Chisel
- t) Hammer
- u) Tool Kit Bag
- v) Ratchet (L)
- w) Ratchet (S)
- x) Rope ½ 20 ft

B) PENALTIES ON NON-COMPLIANCE OF HSE POLICIES & TERMS

The Recovery Vendor(s) shall be subject to penalties in the event of non-compliance with health and safety requirements, in accordance with the applicable HSE policy as follows:

- 1) Failure by the Recovery Vendor to ensure the provision, maintenance and usage of requisite quality of safety PPEs & SPEs throughout the Term.
 - 1st Time: Rs. 10,000/
 - 2nd Time: Rs. 15,000/
 - 3rd Time: Rs. 20,000/
- 2) Failure by the Recovery Vendor to ensure presence of an appointed supervisor which can be any Recovery Officer / Recovery Vendor Personnel or LM at the worksite during the Term.
 - 1st time: Rs. 10,000/
 - 2nd time: Rs 15,000/
 - 3rd time: Rs 20,000/
- 3) Occurrence of any Medical Treatment Case (“**MTC**”) Accident during the Term arising from the Recovery Vendor failure to implement adequate safety measures.
 - 1st Time: Rs. 10,000/
 - 2ndTime: Rs.15,000/
 - 3rd Time: 20,000/
- 4) Occurrence of any RWC (Restricted work Case) Accident during the Term arising from the Recovery Vendor failure to implement adequate safety measures.
 - 1st Time: Rs. 25,000/
 - 2ndTime: Rs.50,000/
 - 3rd Time: 75,000/
- 5) Occurrence of any LWI (Lost Workday / Major) Accident during the Term arising from the Recovery Vendor failure to implement adequate safety measures.
 - Rs. 0.1 MN and/or blacklisting / termination of the Recovery Vendor (blacklisting /termination will be at the discretion of KE)

- 6) Occurrence of any Fatal Accident during the Term arising from the Recovery Vendor failure to implement adequate safety measures.
 - Rs. 0.1 MN and/or blacklisting / termination of the Recovery Vendor (blacklisting /termination will be at the discretion of KE)
- 7) Failure by the Recovery Vendor to ensure that its personnel are of legal working age, in proper uniforms provided by the Recovery Vendor, and displaying valid company ID.
 - 1st time: Rs 5,000/-
 - 2nd time: Rs 10,000/-
 - 3rd time: Rs 15,000/-
- 8) Failure by the Recovery Vendor to utilize appropriate safety measures or equipment while carrying out work at site, including the use of unsuitable or unsafe tools.
 - 1st time: Rs 5,000/-
 - 2nd time: Rs 10,000/-
 - 3rd time: Rs 15,000/-
- 9) Failure by the Recovery Vendor to ensure that all materials, tools, equipment meet the agreed quality standards of KE and are free from improper joints or defects in the cords powering such tools.
 - 1st time: Rs 5,000/-
 - 2nd time: Rs 10,000/-
 - 3rd time: Rs 15,000/-
- 10) Failure by the Recovery Vendor to ensure that their MTL Drivers have valid driving licenses / learner license when carrying out the Services.
 - 1st Time: 5,000/-
 - 2nd Time: 10,000/-
 - 3rd Time: 20,000/-
- 11) Failure by the Recovery Vendor to ensure appropriate representation at safety parade and shall ensure closure of the observations within Fifteen (15) calendar days after parade.
 - Rs 10,000/-
- 12) Failure by the Recovery Vendor to ensure appropriate representation at the safety meetings which are to be conducted by CRMC with vendor's safety coordinators / Owners) as follows:
 - 01 meeting without intimation
 - Two consecutive Meeting
 - Any one of the Above Rs 10,000/-
- 13) Failure by the Recovery Vendor to ensure that individuals who are not authorized, qualified, or designated, or are not part of the Service Provider personnel do not perform any Services. Penalty will be applicable after one quarter of vendor onboarding (FY27 agreements).
 - 1st Time: 5,000/-
 - 2nd Time: 10,000/-
 - 3rd Time: 15,000/-

- 14) Failure by the Recovery Vendor to ensure that its personnel are in possession of or use more than one Recovery Vendor provided identification card at the worksite, regardless of role or designation.
 - 1st Time: Rs. 20,000
 - 2nd Time: Termination / Blacklisting of Recovery Vendor
- 15) Failure by the Recovery Vendor to prevent theft, mismanagement at KE Premises, the stealing of material or non-submission of material recovered from Kunda/ illegal connection Drives to KE's premises as confirmed by KE's security team/IBC.
 - Rs 20,000 and Termination /
- 16) Failure by the Recovery Vendor to prevent or report cable or conductor theft as confirmed by KE's security team
 - Rs 20,000 and Termination / Blacklisting of Recovery Vendor
- 17) Late reporting of incident by the Recovery Vendor as per the time communicated by KE's user department.
 - Rs. 5,000
- 18) Failure by the Recovery Vendor to ensure that its personnel do not misbehave with KE staff
 - 1st Time: Rs. 5,000
 - 2nd Time: Rs 10,000
 - 3rd Time: Rs. 15,000
- 19) Failure by the Recovery Vendor to ensure that they close audit observations in the given deadline.
 - Rs. 10,000.
- 20) Failure by the Recovery Vendor to ensure that any of its personnel used for providing Services from time to time under the Principal Agreement are duly qualified/trained and have the expertise for the relevant work.
 - 1st Time: Rs. 5,000
 - 2nd Time: Rs. 10,000
 - 3rd Time: Rs. 15,000
- 21) Fake credential submission by Recovery Vendor (CNIC #, ID card, DAE certificate etc).
 - Rs 10,000
- 22) Failure by the Recovery Vendor to ensure submission of closures of all open safety observations within the defined timeline shared by the KE-CRMC team via email.
 - Rs. 5,000
- 23) Failure by the Recovery Vendor to submit management safety audits conducted by safety coordinator in the required HSE MSA format once a month.
 - Rs 5000 per missing MSA data
- 24) Failure to ensure compliance with any procedure/documentation requirement (TRIC, PTW, MTL & Portable ladder checklist mentioned above)
 - 1st Time: Rs. 5,000
 - 2nd Time: Rs. 10,000

- 3rd Time: Rs. 15,000

C) HSE DATA FORM

The Recovery Vendor(s) shall maintain, record, and submit the data and/or forms specified below to CRMC on a monthly basis.

ANNEXURE IV – MONTHLY HSE DATA			
<u>Contractor Name:</u>		<u>Contract Title:</u>	
<u>Sponsor Department:</u>		<u>Location:</u>	
<u>BU:</u>		<u>Month:</u>	
<u>HSE Statistics</u>			
Number of Contract Workers			
Manhours worked			
Fatalities			
Restricted Work Case (RWC)			
Medical Treatment Case (MTC)			
First Aid Case (FAC)			
Near miss			
Unsafe Act / Unsafe Condition			
Vehicle Accidents			
Property Damage			
No of HSE Meetings			
No of Toolbox Talks			
No of HSE Inspections			
No of HSE Audits			
No of Trainings			
No of Penalties			
Contractor Representative (Name & Signature): Contract Owner (Name & Signature): HSE Representative (Name & Signature):			

SECTION 6: TECHNICAL EVALUATION

A) DOCUMENTS REQUIREMENT

Potential Recovery Vendor (s) are required to submit the following documents along with the tender application for technical evaluation:

- Experience letter (for new vendors)
- Proof of payment for services rendered to clients (for new vendors)

- Copies of invoices submitted to clients (for new vendors)
- Copies of client purchase orders (for new vendors)
- Presentation on the mobility solution (mobile and desktop versions) and its architecture and hosting details in PDF format. In case the mobility solution is not currently available, a written assurance on company letterhead confirming provision of the required solution and its architecture and hosting details prior to project go-live.
- List of current resources, including employee IDs and CNIC numbers. In case of unavailability of required resources, a written assurance on company letterhead confirming deployment as per requirements after portfolio assignment.
- Appointment letter for the HSE Coordinator.
- HSE policies and manuals, including emergency management procedures and hazard and incident reporting procedures.
- Written assurance on company letterhead confirming provision of required PPEs and SPEs in accordance with KE-approved quality standards after portfolio assignment.

B) EVALUATION KPIS

The evaluation will focus on the development of recovery vendors to achieve enhanced recoveries, improved service quality, and compliance with KE's safety protocols. Accordingly, applicants will be technically evaluated using the prescribed scorecard.

Type	Description
Experience (For new Vendors)	A minimum of 1 year experience in debt collection services of any sector / company and should be currently working under debt collection services agreement with any of the client. This will be applicable to new vendors only which are currently not providing recovery services to KE.
Performance (For existing vendors)	Current Vendors who are working with KE in terms of debt collection services will be evaluated based on FY26 performance (cash targets as per SRC agreement) in SRC portfolio as they are already registered with KE and are providing recovery services.
Mobility Solution	Availability of mobility solution (application) as defined in TORs or assurance to provide same after agreement if not available at the time tendering process - complete access of application and its architecture and hosting details are to be provided to CRMC for IT governance and assurance of same should be mentioned in letter.

Resources	<p>Availability of disconnection teams (linemen, Karkun / Help & Support Services), recovery resources (recovery officers) and MTLs or assurance to Provide same after agreement if currently not available.</p>
HSE (Health, Safety & environment)	<ul style="list-style-type: none"> - Written assurance on company covering letters to provide PPEs, SPEs and tools as per KE HSE policy after agreement <ul style="list-style-type: none"> - Availability of safety coordinator - Company written Safety Policy - Safety management system manual - Emergency management procedure - Hazard and incident reporting procedure