



Hiring of Vendors

Debt collection services - RO
Terms of Reference

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SECTION 1: BACKGROUND

The extent of reliance on Recovery Vendors (“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 irregular payer portfolio to sustain and strengthen overall recovery numbers of KE. A reasonable proportion of the irregular payer portfolio is assigned to Recovery 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 irregular payers, 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	RO Portfolio	A KE recovery approach applicable to a specific set of consumers who are irregular payers within the payment ageing of 1 to 6 months.
2	Defaulters	KE consumers who have unpaid electricity bills including outstanding arrears and/or current dues.
3	Ordinary Defaulters	Consumers belong to the residential or commercial category and exclude industrial and government-sector consumers.
4	Active Defaulters	Consumers who are currently using electricity and bills are being charged.
5	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	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), Recovery officer can act like Karkun.
11	Irregular Payers	KE consumers who settle their electricity bills on a non-regular / non-consecutively basis.

SECTION 2: OBJECTIVE

The purpose of this document is to define a comprehensive set of terms of reference (“TOR”) for the hiring of debt collection services for KE irregular payers (“**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

For the most efficient and effective receivable management, it is vital that defaulters ranging from 1 to 6 months are addressed and closely monitored to avoid spillover of defaulters to the chronic category which can result in increasing bad debts. Hence, consumers who have defaulters aged from 1-6 months may be assigned to designated Recovery Vendor who will be expected to attempt and encourage them for payment through door knocking/disconnection exercise to recover from defaulting consumers.

A) CRITERIA

Central Receivable Management has derived a defaulter criterion that defines a target population that can be assigned under the RO initiative to Recovery Vendor(s). Criteria aim to define potential cases that may be assigned three days prior to due date for 25 calendar days to Recovery Vendor for recovery efforts.

A system-generated defaulter list, referred to as the RO Pool, shall be used for the allocation of defaulters to Recovery Vendor. This list shall include consumers with outstanding dues exceeding PKR 10,000 and an ageing of 1 to 6 months, assigned for a period of 25 calendar days. RO portfolio consumers will be allocated on a daily basis, three days prior to their due date, in accordance with cycle-based due dates.

Inclusion Criteria for RO Defaulter Pool:

- Consumers with payment defaults ranging from 1 to 6 months.
- Consumers' dues must be greater than PKR 10,000.
- Consumers must be an Active State.
- Consumers whose payment for the previous month has not been received will be considered eligible for inclusion in the RO pool.

Note: Cases under SRC Portfolio, legal & FIR, Advance paying consumers, employee benefit. Will not be eligible for RO portfolio.

Based on approved criteria, tentative numbers of RO portfolio and tentative target for FY27 are as follows. These numbers are tentative and may vary in future and will be communicated accordingly at the time of agreement.

Average Monthly cases	Projected Billing FY27	Projected Recovery FY27	Tentative Target RR%
221,368	17,539,192,940	19,293,112,234	110%

Cash received from assigned consumers within a period of 25 calendar days, including the assignment date, shall be eligible for commission calculation.

Once defaulters are assigned to Recovery Vendor(s), they will remain with Recovery Vendor(s) for 25 calendar days for teams to conduct door knocking/disconnection activities and related recovery efforts.

KE retains the right to assign additional consumers or withdraw already assigned consumers from Recovery Vendor(s), in writing at any time without any 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 Linemen 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) 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.
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 Linemen, 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. Access will be provided to desktop version of mobility solution 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
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.

REFERRED 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.

Recovery Vendor(s) disconnection team(s) [UA1.1][AK1.2] 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 Picture Kunda 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 helper for support services (which can be non-technical / Recovery Officer) 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 withdrawn 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 KE SOPs, including safety precautions.
5. Recovery Vendor shall ensure complete deployment of resources including recovery officer, disconnection team against the assigned portfolio on following basis:
 - 1- One Recovery officer against 650 cases each
 - 2- One disconnection team including linemen and helpers (who can be Recovery Officer) against 1400 cases each.

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

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 the Recovery Vendor 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 shall 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 shall 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 Vendor(s) 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 as per resources requirement mentioned above.

H) OTHER TERMS AND CONDITIONS

1. Commission structure:

Commission shall be payable to the Recovery Vendor(s) upon successful recovery within twenty-five (25) days, inclusive of the assignment date. Recovery vendors shall be allocated monthly Recovery Rate (RR%) targets against their assigned portfolios, which shall be directly linked to the applicable commission structure.

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 quarterly 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.

4. Penalty on failure to attempts:

To ensure that all the consumers assigned to vendors are being attempted via vendor resources, stringent penalties are being imposed in case of assigned consumers remaining un-attempted at the expiry of portfolio on monthly basis as follows. Below mentioned penalties will be applicable to defaulting consumers only at the end of assignment duration of 25 calendar days and consumers who made their payments during assigned duration will not be considered.

Description	Penalty (Monthly)
60% & below attempted consumers of defaulting consumers IBC wise	PKR 250,000 & (30 days warning and if no improvement is observed in the 2 nd consecutive month portfolio will be revoked from particular IBC)
61% to 70% & below attempted consumers of defaulting consumers IBC wise	PKR 200,000
71% to 80% attempted consumers of defaulting consumers IBC wise	PKR 150,000
81% to 90% attempted consumers of defaulting consumers IBC wise	PKR 100,000
91% to 95% attempted consumers of defaulting consumers IBC wise	PKR 50,000
Above 95%	No penalty

- Should there be any shuffling, addition, or deletion of IBCs due to any reason or increase in business concern, KE will provide a 15-day notice to vendor to deploy or remove the required resources.

SECTION 5: HSE COMPLIANCE

A) HSE POLICIES / TERMS & CONDITIONS

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

- Deployment of HSE coordinator who will be responsible for monitoring the HSE related practices covered in vendor HSE policies and manuals.
- Active engagement of the HSE Coordinator in daily operations, including timely reporting of any incidents or non-compliance to IBC and CRMC.
- Recovery Vendor(s) to ensure mandatory availability of resources at safety parades and safety meetings and with timely closure of observations.
- 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.

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

Portable ladders may be utilized for disconnection activities.

- 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**

- 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 be equipped with the following PPEs & SPEs 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 discretion of CRMC)

- 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 discretion of CRMC)
- 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 appropriate representation at safety parade and shall ensure closure of the observations within Fifteen (15) calendar days after parade.
 - Rs 10,000/-
- 11) 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/-
- 12) 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/-

- 13) 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 employee
- 14) Failure by the Recovery Vendor to prevent theft, mismanagement at KE Premises, the stealing of material or non-submission of material recovered from Kunda Drives to KE's premises as confirmed by KE's security team/IBC.
 - Rs 20,000 and Termination / Blacklisting of employee
- 15) 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 employee
- 16) Late reporting of incident by the Recovery Vendor as per the time communicated by KE's user department.
 - Rs. 5,000
- 17) 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
- 18) Failure by the Recovery Vendor to ensure that they close audit observations in the given deadline.
 - Rs. 10,000.
- 19) 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
- 20) Fake credential submission by Recovery Vendor (CNIC #, ID card, DAE certificate etc).
 - Rs 10,000
- 21) 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

22) 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

23) Failure to ensure compliance with any procedure/documentation requirement (TRIC, PTW, Portable ladder checklist mentioned above & etc)

- 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):			

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 (Targets as per agreement) in RO 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	Availability of disconnection teams (linemen, Karkun / Help & Support Services) and recovery resources (recovery officers) or assurance to Provide same after agreement if currently not available.

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
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