

## Terms of Reference (TOR)

### **Introduction:**

K-Electric (KE) Limited, hereafter to be referred as “Company”, is a vertically integrated utility company responsible for Generation, Transmission and Distribution of electric power for its industrial, commercial, and domestic users mainly within Karachi Metropolitan (the biggest city of Pakistan) covering about 6026 sq. km area, including some parts of Thatta (up to Ghara – Sindh) and Lasbella Districts (up to Bela Baluchistan).

### **INVITATION TO TENDER FOR SUPPLY OF MTL vehicles**

K-Electric (KE) Limited, hereby invites sealed bids via Ariba for Hiring of MTL Vehicles on monthly/daily rental model, fitted with tracker from well reputed Transport Service Providers who have duly acknowledged KE floated expression of interest along with all terms and conditions. The Contract period will be (03) years from the date of contract execution. which may be extended subject to the achievement of defined service levels for a period agreed by both parties.

### **(Section A)**

### **Scope of Work**

KE would like to hire MTL on monthly rentals with different model as mentioned in below specifications for operational duties pertaining to KE field operations.

| Category                | Shift (Hrs) | Mileage (km) | Fuel type | Monthly/ Daily basis | Count of Vehicle |
|-------------------------|-------------|--------------|-----------|----------------------|------------------|
| MTL (2019-2022)         | 12hrs       | 60 KM        | KEF       | Mon                  | 35               |
| MTL (2019-2022)         | 24hrs       | 100 KM       | KEF       | Mon                  | 33               |
| MTL (2023)              | 12hrs       | 60 KM        | KEF       | Mon                  | 66               |
| MTL (2023)              | 24hrs       | 100 KM       | KEF       | Mon                  | 57               |
| MTL (2024 & above)      | 12hrs       | 60 KM        | KEF       | Mon                  | 56               |
| MTL (2025)              | 12 hrs      | 60 KM        | KEF       | Mon                  | 224              |
| MTL (2025)              | 12 hrs      | 60 KM        | VF        | Mon                  | 3                |
| MTL (2025)              | 24 hrs      | 100 KM       | KEF       | Mon                  | 28               |
| MTL 12hrs (2010-2016)   | 12 hrs      | 60 km/day    | VF        | DAY                  | 1                |
| MTL 12hrs (Uptill 2009) | 12 hrs      | 40km/day     | VF        | DAY                  | 6                |
| MTL 12hrs (Uptill 2009) | 12 hrs      | 60 km/day    | VF        | DAY                  | 4                |
| MTL 24hrs (2010-2016)   | 24hrs       | 200 km/day   | VF        | DAY                  | 4                |
| MTL 24hrs (2020-Above)  | 24hrs       | 100 km/day   | KEF       | Mon                  | 24               |
| MTL till 2018           | 12hrs       | 60 KM        | KEF       | Mon                  | 335              |
| MTL till 2018           | 24hrs       | 100 KM       | KEF       | Mon                  | 51               |
| MTL (2020 & Above)      | 12hrs       | 60km         | KEF       | Mon                  | 4                |
| MTL1000cc               | 12hrs       | 60 km/day    | KEF       | Mon                  | 64               |
| MTL1000cc(Less 2022)    | 12hrs       | 60KM         | KEF       | Mon                  | 21               |
| SPOT:MTL till 2018      | 12hrs       | 100KM        | KEF       | Mon                  | 8                |
| <b>Grand Total</b>      |             |              |           |                      | <b>1024</b>      |



### **Terms & Conditions:**

- Service Provider to quote on daily/monthly rental model for 12 / 24Hrs shifts as per above table.
- Driver must be compliant with KE HSEQ Driving and Transport safety policy.
- Vehicle to be compliant with KE logistics manual.
- The Service Provider shall ensure compliance with all applicable labor laws and law of land.
- The Service Provider shall ensure submission of all transport services related documents including Registration, valid vehicle tax papers, EOBI and SESSI and will submit proofs to KE on a monthly basis.
- The Service Provider will ensure compliance of all labor related legislation including Social Security, EOBI and will submit evidence of compliance as per client requirement.
- The Service Provider will provide transport services with complete solutions through 24/7 control room at its end.
- The Service Provider will be responsible for achieving Fix Average Kilometer Per Litter (AKPL) provided by KE. KE will only provide fuel according to FIX AKPL any difference in cost to be adjusted by vendor in quoted rentals.
- KE will pay only for official KMs for which fuel was issued to the Service Provider by KE for KE fuel vehicles.
- Vehicle and fuel card must be available at fueling station at the time of fueling and should be verifiable from tracker.
- Unofficial operations outside the allocated contract facilitated by the Service Provider along with any associated cost will be the responsibility of the Service Provider and same will be deducted from the monthly payment of the Service Provider in accordance with the negotiated contract.
- Trip wise movement details will be required from vendors on KE logbook format.
- All Vehicles' (inclusive of pool vehicles) attendance will only be marked by KE user when vehicle is present at reporting location along with its endorsed driver. Attendance will be marked on the Attendance Monitoring System (AMS).
- All relevant KE Fleet SOPs including required HSE compliances will be applicable on the Service Provider.
- Providing a FIT and appropriate vehicle as replacement of any non-operational/non-available vehicle in accordance with the negotiated contract within two (02) hours will be the responsibility of the Service Provider.
- Driver salary to be provided through bank transfer with evidence provided to KE to ensure minimum wage to be paid.
- The draft Legal Agreement provided with this TORs are binding on service providers. In case of deviation in this TORs or draft Legal Agreement same to be separately mentioned else all conditions mentioned in referred documents will be considered as deemed acceptable.
- Payment terms will be 30 days' credit after the submission of invoices and required documents duly verified by KE admin for the contract.
- 12 hours vehicles to be parked in within 5km radius according to their reporting location.
- Tracker MIS should be submitted by 5<sup>th</sup> of every month based on this, logistics will release the monthly attendance for the vehicles by 8<sup>th</sup>.
- All Annexures / SOPs will be an integral part of this TORs and to be submitted duly signed and stamped by the vendor
- Following documents to be submitted to Bill Management Cell (BMC) department on monthly basis:



- a) Commercial Invoice
  - b) Sales Tax Invoice
  - c) Attendance Sheet (with GM/HoD Fleet signature)
  - d) Tax Annexure C (previous month with current month invoice)
  - e) EOBI/SESSI challan to be submitted along with monthly invoices.
- KE may, at its sole discretion and at any time, terminate the respective contract without assigning any reason by giving sixty (60) days prior written notice to the service provider.
  - Taxes, fees, and other impositions shall be as per applicable Laws.
  - Service providers to confirm for registration of Sales Tax in Sindh Revenue Board (SRB).
  - All stamp duties at the time of contract execution will be borne by service provider.
  - TORs and instructions to Service Provider(s) will be integral part of the contract.
  - Eye test is required annually for all drivers.
  - 12 hours vehicle shall not be utilized for any activity other than KE's requirement.
  - Emission test is required for each vehicle once in a year.

**Eligibility Criteria:**

As per issued Call for Expression of Interest CEOI, Service Provider to comply below requirements:

- Valid Income Tax Registration Certificate. The interested party must be appearing on Active Taxpayer list of FBR.
- Valid Services Sales Tax Registration Certificate (Status Active with Provincial Authority). The interested party must be appearing on Active Taxpayer list of SRB and has not been suspended or blacklisted in past three years.
- Bank statement for last two years
- Submission of undertaking duly stamped and signed that the firm, company, is not blacklisted or involve in any corrupt or illegal practice or banned or declared ineligible / blacklisted by any private/public sector organization

(Section B)

**ITB – Instructions to Service Provider (Service Provider)**

**Mandatory Requirements:**

**Suppliers Code of Conduct (SCOC), KE Standard Terms and Conditions, KE PSM-12 and KE Corporate CHSEQ Policy** must be endorsed/signed by Service Provider and to be submitted at Ariba along with quotations.

**Performance Guarantee:**

The Service Provider shall furnish a performance guarantee in the shape of pay order / retention/performance bond from a recognized bank operating in Pakistan in favor of KE of the amount equivalent to 10% of the total contract value.

Performance bond to be submitted within 30 days of the issuance of Contract Release Order (CRO) by KE. In case of pay order / performance bond not preferred then retention amount equivalent value (10%) will be retained from each monthly invoice.

The performance bond will be released after the completion of contract period (3 years)

**Responsibilities of Service Provider:**

The selected bidder (hereinafter also referred to as 'Service Provider') shall be required to confirm to the following conditions:

- The vehicles provided by the Service Provider shall arrange insurance from reputable insurance company for coverage of any third party liability in relation to Service Provider vehicles or personnel, any accidents involving passengers and/or Service Providers personnel and vehicles or maintenance thereof .and any other requirements, as may be required by KE or regulatory authority.
- Service provider to ensure the coverage of Group Life Insurance (GLI) and Medical Insurance of their employees deputed under this contract. Group Life Insurance and Medical Insurance card of all vendor drivers will be required to be submitted to FM within 3 months of driver induction into KE.
- The Service Provider must ensure the health safety measures to cope with pandemic i.e. COVID-19 and its variants are adopted. All drivers and supervisors should be fully vaccinated.
- Compliance of all vehicle registration requirements during the contractual period with registration documentation duly placed in the vehicle and registration/number plates affixed to the vehicle in accordance with the law.
- Annual Audit will be conducted through a third-party consultant to ensure contract compliance, Service provider to bear the cost for same.
- Vehicles provided by the Service Provider shall have tracking facility obtained from KE approved vendors
- The Service Provider will nominate a focal person to liaise with the KE official/queries.
- The vehicles services shall be provided with an option for inclusion or exclusion of fuel, to be chosen by KE as its sole discretion.
- Comprehensive motor vehicle insurance coverage, seat belts (all seats - front and back)



- FIT mechanical and body condition of vehicles
- Provision of food and accommodation for the driver during field operations shall be managed by the Service Provider.
- Vendor Drivers provided must not be older than 60 years and medically fit to drive
- Service Provider shall indemnify and hold KE harmless against any personnel injuries, fatality, loss or damage arising with respect to provision of services by the Service Provider or by the acts and omissions of the Service Provider and/or its personnel.
- Service Provider to ensure that vehicles being deployed under this contract have no connection whether directly or indirectly with any person employed by KE. A declaration for the same will be required for each vehicle induction. Service provider is required to review the terms and conditions available the RFQ and to ensure compliance. In case of non-compliance, penalties shall be imposed to service providers.

#### **Driver Training and Qualification:**

Only qualified and approved (as per KE Fleet Management Criteria as mentioned in this document) drivers holding a valid vehicle driving license and fulfilling all requirements such as training/certification for operation of the respective vehicle, shall be allowed/designated by the Service Provider to drive the vehicles for provision of vehicle hire services to KE.

Approval by Fleet Management will only be granted to those who possess a valid driving license that satisfies the federal, provincial, and local government requirements to drive the specific vehicle in operation.

Service Provider shall be responsible to provide the following trainings to its drivers and supervisors, through reputed external training providers:

- a) Defensive Driving initial training – New Inductees
- b) Defensive Driving refresher training annually

#### **Substance Abuse Test of Drivers:**

Driving a vehicle while under influence of alcohol or any other prohibited substances shall be strictly prohibited. The Service Provider shall ensure, that none of its drivers are found driving the hired vehicles under influence of alcohol or any other prohibited substances, any violations of the same will be subject to strict disciplinary action.

Smoking during driving of any hired vehicles shall be strictly prohibited.

All drivers of the Service Provider will be required to undergo a substance abuse test annually, while random tests will also be performed by Fleet Management.

#### **Vehicle condition:**

All vehicles provided by the Service Provider for hire to KE must be PDM (Pre delivery Maintenance) and PMI (Post maintenance inspection) and confirmed to be in safe working condition (fit for purpose) by the



Service provider. Vehicles used by the Service Provider for provision of vehicle hire services to KE shall have the following mandatory items:

- a) Seat belts,
- b) Genuine Anti-Lock System with full access Tracker.
- c) No tinting
- d) Genuine Tool Kit and tire accessories
- e) First aid box & Fire extinguisher
- f) Safety Cones
- g) Reverse Alarm
- h) Spare Wheel, basic toolbox, Mechanical jack.
- i) The vehicle should have good conditioned tyres, not older than 12 months
- j) The vehicle should be clean, inside, and out, and free from any unpleasant odor
- k) The vehicle should have a well-maintained trip-based Logbook (Vehicle Movement Details)
- l) All vehicles operated in fire prone areas must have an exhaust spark arrester on the exhaust or necessary checks should be carried out before allowing the vehicle to enter such areas.

**Maintenance:**

The Service provider should timely change oil/filters of the vehicle and undertake mechanical and electrical maintenance service of the vehicle as required. Any vehicle taken into maintenance shall be provided with a temporary replacement.

**Physical Inspection:**

The Service Provider will provide their vehicles for physical inspection before finalization.

**Duration of Contract:**

The period of contract shall be minimum three years which may also be extended upon satisfactory performance of the Service Provider and as per mutual agreement of the parties.

**Terms of payment and credit Period:**

Payment will be made on a monthly basis upon submission of Service Provider bill / invoice along with attendance sheet duly signed / verified and stamped by the concerned KE GM / Head of User Department or their authorized representatives, EOBI, SESSI, Annexure C (Sales Tax) submitted directly to BMC at KE Elandar Road Power House Complex (ERPH), Karachi or as per billing SOP. Such bill / invoice shall be paid by KE within thirty (30) days from receipt of Service Provider bill/invoice subject to verification of its contents and details as being in accordance with final Agreement.

## **Penalties**

Service Provider are bound to provide defensive driving training to their drivers from their certified trainers. If any driver found without training certificate and knowledge in field, then penalty of Rs. 20,000/- will be applied on vendor.

Service Provider All Employees must be Covid-19 vaccinated. KE Fleet Management can check certificate any time and in case of non-compliance penalty of Rs. 1,000/- per instance will be imposed.

Service Provider is expected to maintain adequate backup pool to meet these criteria. Any vehicle found absent with no replacement provided shall be penalized that day's prorated rental amount (26 Days on Vehicles hired under monthly contract) + an additional 0.25% of the day's rental for each day vehicle remains absent

Service Provider will maintain data of those vehicles which have 0-10 kms running and marked "present" by user with a valid reason. Vendors will be bound to maintain record of minimum 05 years and Fleet Management can check this data anytime.

| <b><u>Attendance Tag</u></b> | <b><u>Scenario</u></b>                                                                                                                                                                                                                                                                                                                                                                                               | <b><u>Penalty</u></b>                                         |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| P<br>(Present)               | - In case of Vehicle(s) used for providing Services under this Agreement, breakdown during the day and replacement provided by Service Provider within two (2) hours.                                                                                                                                                                                                                                                | Nil                                                           |
| HD<br>(Half Day)             | - If any Vehicle(s) used for providing Services under this Agreement is removed by the Service Provider, without permission of KE user.<br>- Permanent/replacement Vehicle(s) used for rendering Services are provided after two (2) hours.                                                                                                                                                                          | 50% payment will be deducted                                  |
| A                            | - If any of the Vehicle(s) intimated to be used for providing Services under this Agreement is not provided on any given day and no replacement Vehicle(s) provided by Service Provider.<br>- In case of Vehicle(s) breakdown during the day and no replacement provided by Service Provider<br>- If the Vehicle(s) has completed HALF day services before breakdown, then 50% of the rental shall be deducted only. | No payment for the day                                        |
| I                            | - Vehicle(s) gone for inspection to Fleet Management Workshop<br>KE leaves                                                                                                                                                                                                                                                                                                                                           | Nil                                                           |
| 1S                           | - Only one shift (8 hours) performed by shift services or 24 hours vehicle(s) KE leaves                                                                                                                                                                                                                                                                                                                              | 2/3 <sup>rd</sup><br>Payment for the payment will be deducted |

|    |                                                                               |                                                               |
|----|-------------------------------------------------------------------------------|---------------------------------------------------------------|
| 2S | - Two shifts (16 Hours) performed by Shift Services or 24 hours Vehicle(s) KE | 1/3 <sup>rd</sup><br>Payment for the payment will be deducted |
| O  | - Off duty-Sundays, Public holidays (Gazetted Holidays).                      | Nil                                                           |

| Scenario                                                                                 | Amount PKR                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. Fuel card lost and no transaction on lost card within 48 Hours of notice served to KE | Card replacement charges + penalty<br><br>For clarity:<br>Card replacement charges* = PKR 250<br>Penalty = PKR 250<br>*card replacement will be charged as per OMC prevailing rates.                                                                                                                  |
| ii. Fuel card lost and transaction on lost card within 48 Hours of notice served to KE   | Card replacement charges +penalty + actual fuel liability<br><br>For clarity:<br>Card replacement charges* = PKR 250<br>Penalty = PKR 250<br>Actual fuel liability = only for miss utilization and to be calculated from fuel bill.<br>*Card replacement will be charged as per OMC prevailing rates. |
| iii. Fuel Card Chip Problem (Other than lost)                                            | Service Provider to pay actual cost for issuance of replacement card                                                                                                                                                                                                                                  |

- Service Provider Employees uniform:** All Vehicle(s) Service Provider Employees required to wear clean uniform on regular basis provided by Service Provider while providing Services under the Agreement. In case of non-compliance of this clause daily PKR 500 per Service Provider Employee will be deducted from monthly payment of the respective Vehicle(s) used for the provision of Services under the Agreement.
- Inspection deductions:** Deductions will be made as per Vehicle(s) – Inspection policy.
- Tracker NR/ER deductions:** Deductions will be made as per Tracker System Reporting and Maintenance Procedure SOP.
- Theft of KE assets:** During service hours, any Service Provider Employee involved and/or found in any theft activity, will be blacklisted and Service Provider will be penalized for PKR 20,000/= per theft. In case of third instance, KE may require the Service Provider to arrange permanent removal of one Vehicle(s) from Service Provider pool of same category/variant used in theft.

- v. Illegal Activity (Off- service hours only): If any Service Provider Employee and/or Vehicle(s) are found to be involved in illegal activity (like kunda etc.) by KE's concerned department, after thorough investigation, then an amount of PKR 50,000 will be deducted as penalty per activity on the Service Provider and respective Service Provider employee will be blacklisted. Further KE will require the Service Provider to arrange permanent removal of one Vehicle(s) from Service Provider pool of same category/variant used in illegal activity.
- vi. In case of blacklisted Service Provider Employee being employed again by the Service Provider for provision of Services under this Agreement, then PKR 50,000 will be imposed as penalty.
- vii. Legal Issues: Service Provider should strictly comply with all laws, traffic rules and regulations applicable in Pakistan while providing services for KE. In case of any non-compliance of applicable laws, traffic rules and regulations in Pakistan which results in a lawsuit against KE, Service Provider will be liable to pay PKR 100,000 or penalty imposed by court on KE whichever is higher, per legal issue. Further KE may require the Service Provider to arrange permanent removal of one Vehicle(s) from Service Provider pool.
- viii. Service Provider Employee's performing the Services under this Agreement shall in all respects be Employees of Service Provider and they shall not be assigned to render Services to any other party while they are providing Services under the Agreement at KE (during service Hrs.). If any Service Provider Employee found with card having KE logo or representing himself as KE employee, then PKR 50,000 will be imposed as penalty and the Service Provider Employee will be blacklisted. Further KE may require the Service Provider to arrange permanent removal of one Vehicle(s) from Service Provider pool.
- ix. Summary of Logbook(s) for Vehicle(s) (on KE Fuel) must be submitted by 10<sup>th</sup> of each month. Failure in submission will cause a penalty of PKR 500/day per Vehicle(s) used for provision of Services under this Agreement, for each day after 12<sup>th</sup> of every month against missing data. Fuel deduction will be based on KE Fleet data. Further, KE Fleet can ask for original logbooks for all / any Vehicle(s) used for provision of Services under this Agreement as / on required basis.
- x. Fake logbook submission penalty will be PKR 5,000 per Vehicle(s). KE also reserves the right to require from the Service Provider to arrange permanent removal of one vehicle(s) from Service Provider pool after joint investigation.
- xi. In case Vehicle(s) used for provision of services under this Agreement, not meeting AKPL, KE without prejudice to any other rights KE may have under this Agreement, it reserves the right to deduct differential amount of actual consumption and benchmark consumption from invoices of vendor on quarterly basis. KE fleet team will share the working with service provider on monthly basis for these deductions.
- xii. Unapproved branding: If any Vehicle(s) used for provision of Services under this Agreement found having Service Provider branding, fancy stickers, accessories and/or saying written on Vehicle(s) without prior consent of KE, an amount of PKR 5,000 / incident per Vehicle(s) shall be deducted as penalty and all such material must be instantly removed by the Service Provider.



- xiii. Seat Belt and Adherence to Standard Safety Protocols: All Service Provider Employees shall be required to wear seat belt and adhere to safety protocols on regular basis provided by Service Provider while on service.
- xiv. No/Late Response: Service Provider's 24\*7 contact center or authorized representative is responsible for timely response to any KE' requirements / complaints / queries / concerns.

In case, issued raised by user in FOS (Fleet Operation System) complaint portal, following penalties will be imposed after breach of assigned TAT of complaint.

- a. After 02 hours (+/- 30 mins), PKR 500/Hr. maximum up to PKR 3,000 per day, if Vehicle(s)/Service Provider Employee is not arranged
  - b. There will be no compromise on 24 Hrs. shift Service Provider Employee's service timings. If 2<sup>nd</sup> Shift-Service Provider Employee does not report at center on time, PKR 1000/Hr. maximum up to PKR 5,000 penalty will be imposed on Service Provider
- xv. Detailed delivery schedule by Variants shall be mutually agreed between Service Provider and KE Fleet Management and shall be strictly adhered. In the event of any delay by the Service Provider (until & unless with genuine reason) in respect to the mutually agreed schedule relating to usage of Vehicle(s) for the provision of Services under this Agreement, as agreed with KE, then KE shall be entitled to charge liquidated damages of PKR 1,000 per day per Vehicle(s) without prejudice to any other right that KE may have under this agreement. Such liquidated damages shall be deducted from monthly invoices of Service Provider. Any waiver to this deduction must be with mutual consent of Procurement and Fleet Operations and shall be communicated to all concerned in writing. Service Provider is bound to submit the order confirmation of Vehicle(s) booking within 15 days from intimation from FM.
- xvi. If Service Provider removes KE branded vehicle(s) used for provision of services under the Agreement, within Service Provider warranty period, cost of branding will be deducted from its monthly billing.
- xvii. For reconciliation, FO (Fleet Operations) team will share Monthly Purchase Orders/Release Orders with Service Providers. If Service Provider finds any variation, they must reply within two days. After that KE will not entertain any claim from previous month.
- xviii. Other than Theft and illegal activities, before imposing any penalty, Service Provider must be given seven (07) working days to respond and justify. If required, a joint inquiry can also be conducted.

### **Disclaimer**

The information contained in this document has been prepared to assist the interested parties in making their own evaluation with respect to the process. In all cases, the interested parties are required to conduct their own due diligence, investigation, and analysis. None of KE or its directors, officers, employees or advisors may make any representation or warranty, express or implied, as to the accuracy or completeness of this document or the information contained herein and none of KE or its directors, officers, employees or advisors shall have any liability for the information contained in, or omitted from this document, nor for any of the written, oral, electronic or other communications transmitted to the interested parties in the course of the their investigation and evaluation in relation to vehicle services sought by KE and submission of its expression of interest pursuant to this document. Only those representations and warranties that are made in a definitive written agreement, when and if executed, and subject to any limitations and restrictions as may be specified in such definitive written agreement, shall have any legal effect. Each interested party shall be responsible for its own independent evaluation and assessment and should consult its own professional advisors.

KE is under no obligation to disclose any information relating to the published Call for Expression of Interest (CEOI) or tendering process. No representation or warranties are being made via this instant invitation and KE accepts no liabilities with respect to the same. KE is under no obligation to provide any reason whatsoever, for the internal selection criteria used for CEOI or tendering process. No contractual obligations whatsoever shall arise from the CEOI or tendering process between KE and any interested party/successful bidder.

### **Acknowledgment of above TORs:**

(Name, Authorized signature, date & company stamp): \_\_\_\_\_

### **Annexures:**

1. KE Logistics Manual
2. KE Transport and Driving Safety Policy KE-SP-037
3. Bidder's Declared Deviations (Annexure A)

