



LAHORE TRANSPORT COMPANY



TERMS OF REFERENCE FOR AGREED UPON PROCEDURES

COMPLIANCE OF SUBSIDY CALCULATION AND DISBURSEMENT PROCESS TO URBAN BUS OPERATORS

The Terms of Reference (TORs) are indicated to develop an understanding of the terms and objectives of the successful bidder engagement with the Lahore Transport Company (LTC) and the nature and limitations of the services that the successful bidder will provide.

The successful bidder will be required to perform the following procedures with respect to the compliance of Subsidy Calculation and Pre-disbursement process of LTC for each disbursement to be made over a period of one year, commencing from the date of engagement:

1. Obtain the following documents from LTC:
 - a. Source data, which includes Third Party Survey reports and trackers reports for each subsidy eligible route.
 - b. Other reports e.g. Subsidy Eligibility Criteria Report (including summary reports) from the IT Department, LTC and Performance Evaluation Report from Planning Department, LTC.
 - c. Financial Model of the route for Subsidy Calculation from Finance Department, LTC.

2. From the Eligibility Criteria report:
 - a. Match the required mileage from the Eligibility Criteria report to Monthly actual Mileage Report generated by the IT department
 - b. Ensure the percentage achieved is above prescribed benchmark.

3. From Performance Evaluation Scores report:
 - a. Match the required parameters with the approved parameters from the Planning Department's report.
 - b. Check and verify the operational parameters calculations made from the source data.
 - c. Ensure the percentage achieved is above prescribed benchmark.

4. From Financial Model:
 - a. Check and validate the inputs from the source data and other reports.
 - b. Check and validate all calculations made in the financial model.

5. Trace the inputs of Operational Subsidy Calculation report to Financial Model, Summary Report by the IT Department, LTC and Planning Department, LTC.

6. Ensure that the Operational Subsidy Calculation is approved by CEO

The successful bidder may cross match the reports generated through trackers with actual tracker data at his sole discretion and will be allowed to take as many samples as it can, given the time constraint. The successful bidder will be required to validate the subsidy disbursement well within two days from the receipt of data and relevant report from LTC. Validation and checking of any subsequent changes made in reports or financial model due to decisions taken by the Government or LTC management will also be part of the scope. For any further queries, please contact through email: info@ltc.gop.pk, by marking attention to CTO and CFO and giving reference "Compliance of Subsidy Calculation and Disbursement Process".