



**Pakistan Institute of Public  
Finance Accountants**

**May Exam-2026**

**[05.May.2026] [09:30 – 12:15 pm]**

**Additional time – 15 min for Paper Reading**

**Punjab Local Government Act and Rules Framed There under (Updated)  
(Application)**

**LFA**

**Marks-80**

**Subjective**

**Duration: 02 Hours 30 Minutes**

**[Instructions]**

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- Start each question from fresh page.

**Books Allowed:**

- Punjab Local Government Act (Updated)
- Punjab Local Governments (Accounts) Rules (Updated)
- Punjab Union Councils (Accounts) Rules (Updated)
- Punjab Districts Authorities (Accounts) Rules (Updated)
- Punjab Local Governments (Appointment and Conditions of Service) Rules (Updated)
- Punjab Local Governments (Budget) Rules (Updated)
- Punjab Union Council (Budget) Rules (Updated)
- Punjab Districts Authorities (Budget) Rules (Updated)
- Punjab Local Governments (Conduct of Business) Rules (Updated)
- Punjab Union Councils (Conduct of Business) Rules (Updated)
- Punjab District Health Authorities (Conduct of Business) Rules (Updated)
- Punjab Local Governments (Works) Rules (Updated)
- Punjab Districts Authorities (Delegation of Financial Powers) Rules (Updated)
- Punjab Local Governments (Appeal) Rules (Updated)
- Punjab Local Governments (Fiscal Transfers) Rules (Updated)
- Punjab Local Governments (Tax on Transfer of Immovable Property) Rules (Updated)
- Punjab Local Governments (Taxation) Rules (Updated)
- Punjab Local Governments (Auction of Collection Rights) Rules (Updated)
- Punjab Local Governments (Contract) Rules (Updated)
- Punjab Local Governments (Committees) Rules (Updated)
- Punjab Local Governments (Property) Rules (Updated)
- Punjab Local Governments (Fee for Licensing of Professions and Vocations) Rules (Updated)
- Punjab Finance Commission (Terms & Conditions of Professional Members) Rules (Updated)
- Punjab District Authorities (Composition) Rules (Updated)
- Any other Rule made under the Punjab Local Government Act

**Attempt all Questions**

**Q.1.** What are the core aims and specific objectives of creation of Local Governments? **15**

**Q.2.** District Council, Faisalabad (DCF) has a grievance of inadequate budget allocation for the year 2025-26.

**Required:**

How it will submit its grievance before the Punjab Finance Commission for redressal? **10**

**Q.3.** How the Budget is prepared and approved in the District Health Authority? Mention its main aspects. **10**

**Q.4.** Sargodha Municipal Corporation has prepared a development scheme “Construction of Bye-pass Road” of Rs. 200,000,000.

**Required:**

While preparing a development scheme what key aspects will be kept in mind? **10**

**Q.5.** How the Punjab Local Government Properties are managed. Describe the key management aspects? **10**

**Contd.....**

**Q.6.** Punjab Finance Commission has two formulas for funds distribution among the Local Governments:

(i) Vertical

(ii) Horizontal

**Required:**

Explain their criteria for fund distribution, in detail.

**15**

**Q.7.** How the custody and operations of accounts are exercised in District Authorities of Punjab? Discuss.

**10**

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