



**Pakistan Institute of Public
Finance Accountants**

May Exam-2026

[04.May.2026] [09:30am – 12:15pm]

Additional time – 15 min for Paper Reading

**Public Financial Management, Financial Rules,
Financial Control and Budgeting (Provincial) (Application)**

PG | CGA

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:

- Hand Book of Drawing & Disbursing Officers (Updated)
- Financial Provisions in the Constitution of the Islamic Republic of Pakistan(Updated)
- Punjab Financial Rules Vol. I &II (Updated)
- Departmental Financial Rules (Updated)
- Punjab Delegation of Financial Powers Rules (Updated)
- Treasury & Subsidiary Treasury Rules (Updated)
- The Punjab Budget Manual (Updated)
- Punjab Government Rules of Business (Updated)
- Punjab Public Procurement Act/Rules (Updated)
- Transparency and Right to Information Act (Updated)
- Provisions relevant to Withholding Tax in the Income Tax Ordinance and Rules/Circulars issued thereunder (Updated)
- Sales Tax Special Procedure (Withholding) Rules (Updated)
- Sales Tax on Services (Withholding) Rules (Updated)

Attempt all questions

Q.1. (a) Explain the difference between Pension Contribution and Pensionary Share.

03

- (b)** A BS-17 Officer who initially served in the Federal Government on regular basis, afterwards joined Punjab Government on regular basis and retired on superannuation in BS-19. The Punjab Government asked the Federal Government to pay, pension share for the period served by the Officer in the Federal Government. Following is his details:

Name	Mr. ABC
Date of birth	30.04.1960
Date of retirement	29.04.2020
Date of entry in Federal Government	18.09.1984
Date of entry in Punjab Government	08.05.1990
Pay at the time of retirement:	
• Basic Pay	Rs.142,200
• S. Post Allowance	Rs. 1,350
• Qualification Pay	Rs. 1,000

Required:

Calculate apportionment of pension between the Federal and the Punjab Government.

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Contd.....

- Q.2.** As Procurement Officer of Punjab Education Department, what “Procurement Process Sequence” will you follow to procure certain items with an estimated cost of Rs. 1.5 million. **10**
- Q.3.** During the FY 2025-26, Federal Government will collect revenues amounting to Rs. 14,270,822.6 million which constitute the total divisible pool as per NFC Award. Calculate Punjab’s share. **10**
- Q.4.** Describe the functions of Public Finance. What are Public Sector limitations with reference to Public Finance in a developing country? **10**
- Q.5.** When a bill is presented in Treasury as a claim for payment, as an accountant what checks will you apply to ensure that the bill is not deficient in any respect? **10**
- Q.6.** (a) Enumerate the objectives of recent amendments in pension rules and discuss their impact on pensioners. **05**
- (b) An Officer of Education Department of BPS-18 (56,880-4,260-142,080) is going to retire on 15th June, 2026 on superannuation. He has opted for maximum permissible commutation. He was drawing pay on 01.12.2025 as under:

	(Rs.)
Basic Pay	82,440
Qualification Pay	1,500

Required:

Calculate Gross Pension, Net Pension and Commutation as per amended Pension Reforms/Rules-2024. **10**

- Q.7.** (a) Highlight key differences between Income Tax and Sales Tax. **03**
- (b) Being a withholding agent, you have received a procurement invoice amounting to Rs. 1,003,000 (including Sales Tax) for payment. Applicable tax rate is 18%.

Required:

How will you treat this case as a withholding agent if the supplier is an active tax payer? Calculate with the help of Tax Fraction. **07**

COMMUTATION TABLE

Age next Birthday	No. of years Purchased	Age next Birthday	No. of years Purchased
20	40.5043	51	17.6526
21	39.7341	52	17.0050
22	38.9653	53	16.3710
23	38.1974	54	15.7517
24	37.4307	55	15.1478
25	36.6651	56	14.5602
26	35.9006	57	13.9888
27	35.1372	58	13.4340
28	34.3750	59	12.8953
29	33.6143	60	12.3719
30	32.8071	61	11.8632
31	32.0974	62	11.3684
32	31.3412	63	10.8872
33	30.5869	64	10.4191
34	29.8343	65	9.9639
35	29.0841	66	9.5214
36	28.3362	67	9.0914
37	27.5908	68	8.6742
38	26.8482	69	8.2697
39	26.1009	70	7.8778
40	25.3728	71	7.4983
41	24.6406	72	7.1314
42	23.9126	73	6.7766
43	23.1840	74	6.4342
44	22.4713	75	6.1039
45	21.7592	76	5.7858
46	21.0538	77	5.4797
47	20.3555	78	5.1854
48	19.6653	79	4.9030
49	18.9841	80	4.6321
50	18.3129		
