



**Pakistan Institute of Public
Finance Accountants**

May Exam-2026

[05.May.2026] [09:30 – 12:15 pm]

Additional time – 15 min for Paper Reading

Local Government Act and Rules (Application)

AGP

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:

- Local Government Act
- Local Government (Budget) Rules (as amended to date)
- Local Government (Financial Powers) Rules (as amended to date)
- Local Government (Fiscal Transfers) Rules (as amended to date)
- Local Government (Accounts) Rules (as amended to date)
- Rules of Business (as amended to date)
- Any other rules made under Local Government Act (as amended to date)

Attempt all Questions

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

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

Required:

How it will submit its grievance before the Sindh 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. Khairpur 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 Sindh Local Government Properties are managed. Describe the key management aspects? **10**

Q.6. Sindh 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 Sindh? Discuss. **10**
