



**Pakistan Institute of Public  
Finance Accountants**

**May Exam-2026**

**[07.May.2026] [02:00 – 05:15 pm]**

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

**Public Works Accounts Rules & Procedures (Application)**

**AGP | CGA | Treasury | Public**

**Marks-100**

**Subjective**

**Duration: 3 Hours**

**[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:**

- CPWA Code
- CPWD Code
- Books of Forms referred in CPWA code
- Audit Code (Only relevant chapters)
- Accounts Code Vol - III(Only works relevant chapters)
- Financial Audit Manual (Only portion relevant to the syllabus)
- Chart of Accounts
- Scheme of Departmentalization of Accounts of Pak PWD
- Revised System of Financial Control and Budgeting/Delegation of Financial Powers Rules
- Sectoral Audit Guidelines relating to Public Works
- Withholding Tax Rates

**Attempt all Questions**

- Q.1.** Prepare 2<sup>nd</sup> Running Bill of **M/s Design Construction Co.** of the Work “Rehabilitation of Roads” paid vide Vr. No. 38 dated 20.8.2025 from the following data: **30**

Sr. No.	Item of Work	Unit	Rate Rs.	Upto date Quantity	Quantities paid in last bill
1.	Dismantling Brick Soling	% Cft	6,460	6,800 cft	4,000 cft
2.	Dismantling R.C.C 1:2:4	% Cft	17,900	5,900 cft	3,400 cft
3.	Dismantling Road Pavement	% Cft	5,660	43,000 cft	42,000 cft
4.	Earth work embankment	% Cft.	17,010	67,000 cft	27,500 cft
5.	Relaying of material as Sub Base	% Cft	7,800	18,000 cft	9,800 cft
6.	P/L sub base	% Cft.	19,500	29,000 cft	8,900 cft
7.	P/L brick edging	Per Rft	150.80	9,500 Rft	5,500 Rft
8.	P/L Base course	% Cft.	19,500	58,000 cft	19,000 cft
9.	P/L plant premixed bituminous carpet 4% Bitumen	% Sft	18,800	48,000 Sft	-
10.	Painting traffic lane 5” wide with reflective chlorinated rubber (CR) paint	Per Rft	82.70	8,200 Rft	-

- Mobilization Advance of Rs. 16,000,000 was given in 1<sup>st</sup> Running Bill without interest. Recovery of 1<sup>st</sup> installment @ 25% of the total Value of Work done upto 2<sup>nd</sup> Running Bill is to be made in this bill.
- Secured Advance of 60,000 cft crush stone was given in last bill at market rate of Rs. 15,600 % Cft which is to be adjusted in this bill.
- Secured Advance against 70,000 cft crush is to be given in this bill on market rate of Rs. 15,800 % Cft.
- Deduct Security Deposit @ 10 % and Income Tax @ Rs. 9 %.

**Contd.....**

(2)

- Q.2.** During Audit bill of the contractor it was observed that department paid 5,900 cft quantity of the item “Dismantling cement concrete reinforced” @ Rs. 17,900 per %cft to the contractor. Department neither account for old steel nor made recovery for old steel from contractor.

**Required:**

Calculate the recovery on account of cost of old steel @ Rs. 70 per kg if 3.06 kg steel received from one cft quantity of reinforced concrete for issuance of Audit observation to the department. **10**

- Q.3.** What are the principles observed in deciding whether an item of expenditure should be debited to Capital or Revenue? **10**

- Q.4.** How the recoveries on account of the following cases treated in Public Works Account?

(a) Tools and Plants charges **05**

(b) Overpayment made during the current year **05**

- Q.5.** Divisional Officer of PWD allowed secured advance against 10,000 Nos. cement bag @ Rs. 1,440 per bag on current market rate of cement bag. Give your comments and suggestions as auditor on this payment with reference of applicable rules. **10**

- Q.6.** What adjustments will be made in the accounts of PWD in the following cases?

(a) Refund of security deposit in cash Rs. 95,000. **05**

(b) A bank deposit receipt of Rs. 150,000 is received as security. **05**

(c) Loss on stock of a Provincial Building Division due to revaluation of stores of the division. **05**

(d) Plus balance of Rs. 60,000 was noted against bitumen without any quantity of stock. **05**

- Q.7.** In a PWD Division a small railway track for Rs. 150,000,000 was ordered from abroad in January, 2024. The railway track did not arrive till the end of May, 2024. The bill for Rs. 108,500,000 was passed on 31.5.2024 on the basis of import documents in violation of contractor agreement as the payment was required to be made after receipt of material as per agreement.

**Required:**

Discuss what irregularities were committed by the Divisional Officer. **10**

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