Government of Jammu & Kashmir
Finance Department Resources Division
Civil Secretariat

Circular

Subject: Implementation of Single Nodal Agency (SNA) Framework under Part-I (Untied) of the Special Assistance to States for Capital Investment (SASCI), 2026-27.

Reference: F. No. 44(1)/PF-S/2026-27 (CAPEX) dated 27.03.2026 issued by the Department of Expenditure, Ministry of Finance, Government of India .AD/20/20682/26-27-PFMS Rollout/SASCI/1466-1470 dated 23.07.2026.

The Department of Expenditure, Ministry of Finance, Government of India, vide the guidelines referred to above, has stipulated that the funds released under Part-I (Untied) of the Special Assistance to States for Capital Investment (SASCI), 2026-27 shall be operated through the Single Nodal Agency (SNA) Framework on the Public Financial Management System (PFMS).

Accordingly, in order to ensure smooth implementation of the SNA Framework, transparency in fund flow, effective monitoring of expenditure and timely reconciliation of accounts, the following Standard Operating Procedure (SOP) is hereby prescribed for implementation of SASCI 2026-27 under Part-I (Untied).

1. Operational Procedure and Fund Flow

A. Finance Department

The Finance Department shall:

1. Facilitate the uploading of approved SASCI projects on the PFMS Portal on the basis of projects identified and submitted by the concerned Administrative Departments.
2. Facilitate the mapping of the designated SNA Accounts of the concerned Administrative Departments on the PFMS Portal.
3. Process the release of funds to the concerned Administrative Departments against requisitions submitted on the basis of actual and eligible work done, subject to fulfilment of the prescribed conditions and availability of funds.
4. Assign and authorize expenditure limits to the respective Administrative Departments involved in the implementation of SASCI 2026-27 (Part-I) through the PFMS Portal.
5. Monitor the overall fund flow, utilization and expenditure under the SASCI-SNA Framework in coordination with the concerned Administrative Departments.
6. Issue such further instructions, clarifications or procedural guidelines as may be necessary for the effective implementation of the SNA Framework.

B. Administrative Departments

The concerned Administrative Departments shall:

1. Identify projects eligible for funding under **SASCI 2026-27 (Part-I)** strictly in accordance with the guidelines issued by the Government of India.
2. Submit the identified and duly approved projects to the Finance Department in the prescribed format and manner for necessary processing and uploading on PFMS.
3. Ensure mapping of the concerned Heads of Departments (HODs), DDOs and Implementing Agencies, wherever applicable, on the PFMS Portal.
4. Assign expenditure limits to the respective HODs/DDOs/Implementing Agencies involved in the implementation of SASCI projects through the PFMS Portal within two working days of receipt of the expenditure limit/funds from the Finance Department.
5. Submit requisitions to the Finance Department for release of funds based on actual and eligible work done claims, duly supported by the requisite documents and certifications.
6. Nominate a Departmental Nodal Officer for implementation, coordination and monitoring of the SNA Framework.
7. Ensure overall management and monitoring of SASCI implementation at the departmental level, including:
    - operation and monitoring of SNA-linked accounts;
    - fund-flow management;
    - coordination with HODs/DDOs/Implementing Agencies;
    - reconciliation of accounts; and
    - monitoring of project-wise expenditure and utilization.
8. Ensure that the funds released under SASCI are utilized strictly for the approved projects and for the purposes for which they have been sanctioned, in accordance with the applicable financial rules and Government of India guidelines.
9. Ensure timely submission of Red Accounts/Adjustment Accounts to the Finance Department for onward transmission to the office of the Principal Accountant General (PAG), Jammu & Kashmir, as per the prescribed procedure

C. Heads of Departments (HODs)/DDOs

The concerned HODs/DDOs shall:

1. Ensure mapping of the concerned DDOs and Implementing Agencies, wherever applicable, on the PFMS Portal.
2. Assign expenditure limits to the respective DDOs/Implementing Agencies through the PFMS Portal within two working days of receipt of the expenditure limit.
3. Submit requisitions to the concerned Administrative Department for release/authorization of funds based on actual and eligible work done claims, duly supported by the requisite documents.
4. Ensure timely utilization of authorized expenditure limits and proper monitoring of expenditure incurred by the concerned DDOs/Implementing Agencies.
5. Maintain proper accounts and records of all transactions undertaken under SASCI 2026-27 (Part-I) and ensure regular reconciliation of accounts.
6. Ensure compliance with all applicable:
    - financial rules;
    - procurement procedures;
    - contractual provisions;
    - administrative and technical sanctions; and
    - statutory and other regulatory requirements.
7. Ensure timely submission of Red Accounts/Adjustment Accounts to the concerned Administrative Department for onward submission to the Finance Department.

D. Implementing Agencies (IAs)

The Implementing Agencies shall:

1. Opening and Mapping of Accounts
Open and maintain Zero Balance Subsidiary Accounts (ZBSAs) and corresponding Holding Accounts, wherever required under the SNA Framework, and ensure their proper mapping on the PFMS Portal with the concerned HOD/DDO.

2. Processing of Bills and Payments
Prepare and process payment bills through the PFMS Portal after ensuring compliance with:
i. Administrative and Technical Sanctions;
ii. Approved estimates and project scope;
iii. Contractual provisions;
iv. Applicable financial rules and procurement procedures; and
v. All other conditions prescribed for execution of the works.

3. Creation of PFMS User IDs

The concerned Implementing Agencies shall create and operationalize the following user IDs on the PFMS Portal:

- Agency DO (Data Operator – Maker); and
- Agency DA (Data Approver – Checker).

These IDs shall be used for the preparation, verification, approval and processing of bills/payments on PFMS.

The bills shall, as far as practicable, be prepared and submitted on the PFMS Portal within two working days of receipt of the expenditure limit/funds on PFMS from the concerned HOD/DDO.

4. Admissibility of Payments

Ensure that payments are made only against admissible, duly verified and approved claims and strictly within the expenditure limits authorized through PFMS.

5. Maintenance of Accounts

Maintain proper records and accounts of all expenditure and ensure timely reconciliation of transactions reflected in PFMS, IFMS and the concerned bank accounts.

6. Statutory Deductions and Recoveries

All statutory deductions and recoveries arising from payments made to vendors/contractors, including:

- Income Tax;
- Goods and Services Tax (GST);
- Labour Cess;

- Royalty;
- Security Deposits; and
- any other applicable statutory deductions/recoveries,

shall be credited to the respective Implementing Agency-wise Holding Accounts, after successful payment to the vendor/contractor, in accordance with the applicable SNA Framework and instructions issued by the Government of India.

7. Utilization of Holding Account Balances

Amounts retained in the Holding Account towards statutory deductions and recoveries shall not be treated as available funds or expenditure limits for any other purpose.

Such amounts shall be utilized exclusively for remittance of the respective statutory deductions and recoveries to the appropriate Government accounts.

8. Generation of Challans

The concerned Implementing Agency shall generate the requisite challans through PFMS and the appropriate Government portals, as applicable, for:

- deposits relating to State/UT Government receipts; and
- deposits relating to Central Government statutory deductions, including Income Tax and GST.

9. Remittance of Statutory Deductions

Amounts lying in the Holding Account towards statutory deductions and recoveries shall be remitted to the respective Government accounts on a weekly basis or within the statutory timelines prescribed under the relevant Acts/Rules, whichever is earlier.

10. Statutory Compliance

The responsibility for timely deposit of statutory deductions, filing of statutory returns, maintenance of records and compliance with the applicable statutory provisions shall rest with the concerned Implementing Agency/DDO, as applicable.

11. Reconciliation of Statutory Deductions

The concerned DDO/Implementing Agency shall maintain proper records of statutory deductions and ensure timely reconciliation of:

- deductions;
- challans;
- remittances; and
- statutory returns.

12. Submission of Accounts

The concerned Implementing Agency shall submit the requisite Red Accounts/Adjustment Accounts to the concerned HOD/DDO for onward submission to the Administrative Department and thereafter to the Finance Department, as per the prescribed procedure.

13. Reconciliation, Monitoring and Compliance

All concerned Administrative Departments, HODs, DDOs and Implementing Agencies shall ensure regular and timely reconciliation of PFMS transactions, IFMS transactions, bank transactions and departmental accounts.

The concerned Administrative Departments shall establish an appropriate mechanism for monitoring, inter alia:

i. Project-wise expenditure;
ii. Expenditure against authorized limits;
iii. Fund utilization;
iv. Physical and financial progress of projects;
v. Pending bills and payments;
vi. Statutory deductions and recoveries;
vii. Balances available in ZBSAs and Holding Accounts; and
viii. Timely settlement and reconciliation of transactions.

No expenditure shall be incurred beyond the expenditure limit authorized through PFMS or for any purpose other than the approved SASCI project.

Any unauthorized diversion or utilization of funds shall attract action in accordance with the applicable financial rules and instructions.

14. Responsibility for Timely Action

All concerned Administrative Departments, HODs, DDOs and Implementing Agencies shall take immediate and necessary action for implementation of the above SNA Framework.

The concerned authorities shall ensure that expenditure under SASCI 2026-27, Part-I (Untied) is routed through the PFMS under the SNA mechanism, strictly in accordance with the guidelines issued by the Government of India and the applicable financial rules and instructions.

15. Submission of Monthly Accounts

All Administrative Departments shall collect the hard copies of bills and other prescribed supporting documents from the concerned DDOs on a monthly basis. The requisite Red Accounts/Adjustment Accounts, along with the prescribed supporting documents, shall be consolidated and submitted to the Finance Department by the 7th day of the succeeding month for onward submission to the office of the Principal Accountant General (PAG), Jammu & Kashmir, wherever required under the prescribed accounting procedure.

16. Clarification And Technical Support

Any matter requiring policy clarification or interpretation of the Government of India guidelines shall be referred to the Finance Department through the concerned Administrative Department.

For any technical or operational issues relating to account opening, PFMS mapping, ZBSA/Holding Accounts, assignment of expenditure limits, fund flow, preparation and processing of bills, or payments through the PFMS Portal, the concerned Administrative Departments/HODs/DDOs/Implementing Agencies may contact:

Mr. Nazir Ahmad Seero
Mobile No.: **9622446567**
Email: accountsast-fin@jk.gov.in

All concerned shall ensure strict and timely compliance with the instructions contained in this Circular.

Sd/-
(Shailendra Kumar), IAS
Financial Commissioner (Additional Chief Secretary)
Finance Department

No. **248315-FD-RES0CSS/23/2022-03-FD/** Dated: **10.09.2026**

Copy to the:

1. All Administrative Secretaries, Government of Jammu and Kashmir.
2. Director General, Accounts & Treasuries, Finance Department.
3. Director General, Budget, Finance Department.
4. All Directors Finance/Financial Advisers/Chief Accounts Officers/Accounts Officers.
5. Private Secretary to the Financial Commissioner (Additional Chief Secretary), Finance Department, for information of the Financial Commissioner.
6. Office Copy.

10/9/2026

(Mazhar Hussian)
Director Resources
Finance Department