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### Press Release

#### **Centre enhances the norms of Central Assistance paid to States/UTs for meeting the expenditure towards intra-State movement, handling of foodgrains and margins paid to fair price shop dealers under National Food Security Act, 2013**

1. The Department of Food and Public Distribution has revised the norms of central assistance paid to States/UTs for meeting the expenditure towards intra-State movement, handling of foodgrains and margins paid to fair price shop dealers under National Food Security Act, 2013 vide notification dated 23rd May 2022.

The National Food Security Act, 2013 provisions for central assistance to the States/Union Territories on intra-state transportation and Fair Price Shop dealers margin so that these costs do not get passed on to the beneficiary in the way of higher prices and the uniformity of prices envisaged under the Act is maintained. These norms were first fixed in 2015.

2. The norms of central assistance were to be revisited after three years of commencement of the NFSA Act, 2013. Norms have been revised with the approval of Cabinet Committee on Economic Affairs. The revised norms of Central Assistance have been summarized in the table below and will be applicable from 1<sup>st</sup> April 2022 to those State Governments and Union territories who comply with the reforms specified in section I2 and the directions given by the Central Government from time to time.

Category of States and Union Territories	Norms of expenditure (Rate in rupee per quintal)			Central share (In percentage)
	Intra-State movement and handling	Fair Price Shop dealers margin		
		Basic	Additional margin for sale through point of sale device	
General	70	90	21	50
Special	105	180	26	75

3. For release of central assistance, States/UTs have been categorized under two categories viz General Category States and Special Category States. States from North Eastern region, hilly and islands come under

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Special Category States whereas rest of the States/UTs come under General Category States. Special attention w.r.t. enhancement of rates have been given to the north eastern, hilly and island regions owing to difficult conditions as compared to General Category States and Union Territories in the process of delivery of foodgrains. The enhanced rate of Central Assistance will improve the viability of more than 5 Lakh Fair Price Shops across the country.