

කාර්යාලය } 324272  
அலுவலகம் } 431020  
Office

ෆැක්ස් } (941) 449823  
பெக்ஸ் }  
Fax

දුරකථන } (941) 21409 CE  
உலகம் }  
Telex



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நீதி, திட்டமிடல் அமைச்சு

MINISTRY OF FINANCE AND PLANNING

මහ ලේකම් කාර්යාලය, කොළඹ 01. செயலகம், கொழும்பு 01.  
The Secretariat, Colombo 01.

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எனது இல. }  
My No. }

ඔබේ අංකය }  
உமது இல. }  
Your No. }

දිනය }  
திகதி }  
Date } 05.03.2006

Secretary,  
Ministry of Agriculture Development,  
Rajamalwatte Road,  
Battaramulla.

Dear Sir

**Fertilizer Subsidy**

As all types of fertilizer are being provided at a subsidized price i.e. Rs. 350 per 50 k.g. bag to paddy farming, the provision of fertilizer subsidy needs to be confined to the paddy sector. In this background provision of a separate Urea subsidy does not seem necessary.

Therefore, with immediate effect, subsidy should be confined only to paddy sector and distribution of fertilizer at subsidized prices to this sector will come under the purview of the two (2) State Fertilizer Companies through the Agrarian Service Centers as well as their normal distribution channels, so that it can be truly targetted to small holder paddy farming agriculture.

In order to establish proper costs during the transition towards market based prices other than paddy, stocks with the private sector importers should be assessed through a stock verification by an audit firm acceptable to the Treasury.

Your faithfully

P.B. Jayasundera  
Secretary to the Treasury

CC: Secretary- Ministry of Agriculture, Irrigation and Mahaweli Development  
Secretary- Ministry of Agrarian Service and Development of Farmer Community  
Director - National Fertilizer Secretariat  
Chairman- CFC  
Competent Authority- CCF