



# Neem Coated Urea





Reforms like neem coated urea, soil health cards, using technology to improve irrigation has helped the hardworking farmers of India. We are well poised to fulfil our dream of doubling the income of farmers by 2022, when India marks 75 years of Independence.

- Narendra Modi



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# Introduction

One of the major transformational decisions taken by the Modi Government was to introduce 100% Neem Coating on all subsidized agricultural grade urea in the country in order to increase the nutrient efficiency, crop yield, soil health and check the diversion of agricultural grade urea for non-agricultural activities.

## Putting Farmers First

Transforming India 

### Greater Access and Availability of Fertilizers



100% Neem Coating resulted in improvement in soil health, reduction in pest and disease attack, increased **Nitrogen** use efficiency and crop yield



Significant increase in **Urea Production** with introduction of New Urea Policy

As on 1<sup>st</sup> February, 2019

# Background

Urea has been one of the most important chemical Fertilizers for our crops and has been one of the instrumental factors in the increase in food grain production of the country.

In order to help farmers, procure urea at reasonable prices, Government of India supplies urea at a determined retail price which is much lesser than the cost of production or cost of import of urea. Every year the government spends more than Rs. 50,000 crores to ensure that the farmers are able to get urea at affordable prices.

There were findings and reports that a lot of urea applied by farmers to the crops was getting wasted leading to low nutrient efficiency, water and soil contamination and wastage of highly subsidized urea.

Apart from this there was diversion of the highly subsidized agricultural urea to chemical industries and nonagricultural practices. This resulted not only in wastage of precious subsidies but also occasional shortage of urea for genuine farmers.

# Finding a Solution

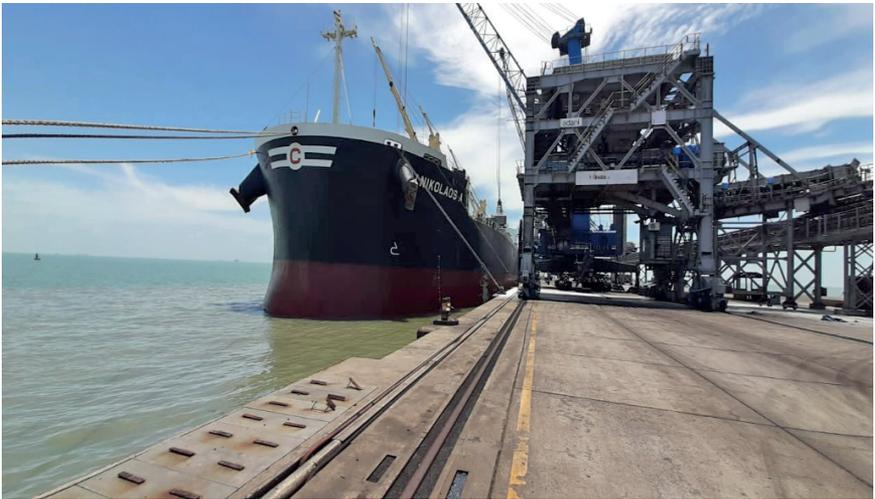
It was also well known that world over different chemical inhibitors had been used as coatings over urea grains and prills to reduce the rate of release of urea into soil so as to increase nutrient efficiency, crop yield, lessen wastage as well as reduce soil and water contamination.

Neem oil, a wholly organic product, is one such inhibitor which had the quality that could both slow down nitrogen release from urea to soil thus increasing nutrient use efficiency, decreasing soil and water contamination and also reducing appreciably the chances of diversion of agricultural grade urea for many non-agricultural uses. In case of India, instead of chemical inhibitors, use of organic neem as coating of urea was more beneficial.

However, no decision was being taken for years. There were a lot of discussions and even piece meal approvals by government to allow producers to manufacture neem coated urea but till 2014 only around 25 percent of the entire urea produced in the country was neem coated.

# The Decision

It was with this background that in 2015, the Government of India took a transformational decision to introduce 100 % neem coating on all subsidized agricultural grade urea in the country. All the indigenous and imported urea were neem coated so as to make the urea slow release and difficult to use for non-agricultural purposes.



**Neem coating infrastructure was put in place in all ports in record time**

# Tapering the Infrastructure

Not only was the decision taken but it was implemented by making provision for neem coated urea manufacture in all urea plants of the country as well as in all the ports in a record time so that by December 2015, 100 % of the urea supplies to farmers throughout the length and breadth of the country was neem coated.



Neem coated urea at retail point was made available in record time

# Modi Government is reviving closed fertilizer plants in Talcher, Ramagundam, Gorakhpur, Sindri and Barauni.

Both the Fertilizer industries and the farmers of the country were happy to accept and implement government's decision as everyone understood the right intentions and right policy of the government. Since 2015, in a historic step, the entire urea supplied to more than 140 million farmers of the country i.e about 340 lakh metric tonnes urea per year, has been neem coated successfully.

## Fertilizer Units to Boost Production



  
Rs. 40,000 cr to revive Defunct Fertilizer Units in Gorakhpur, Sindri, Talcher, Ramagundam and Barauni

  
New Urea plant to be set up at Namrup, Assam



As on 1<sup>st</sup> February, 2019

# Reaping Benefits

## Reduction in Wastage

The initial evaluation of the program by third party institutions shows that because of government's bold step, urea usage has become more efficient and wastage and diversion has decreased.



**Neem coated urea – from decision to farmer's field**

## Improved Soil Health, reduced costs, increased yield

The evaluations also show that application of neem coated urea has resulted in not only improvement in soil condition but also in reduction in costs with respect to plant protection chemicals for farmers. It has also resulted in **increase in yield of major crops**. All these have contributed significantly towards increase of farmer's income.

“The decision of Neem coating of urea has reduced the input-cost of farmers drastically. 100% Neem coating of urea has increased efficiency. Today, the farmers use less urea for the same piece of land. Less use of urea reduced their input cost and increased the productivity. Therefore, there has been an increase in income. This change was possible due to Neem coating of urea.”

- Narendra Modi

# No Shortage of Urea- Significant increase in Urea Production

There has been no major incidence of shortage of urea in the last five six years in any part of the country since the decision was taken and farmers are happy that genuine and neem coated urea is being made available to them by government at affordable prices, in the right time and in adequate quantities.



**Neem coated urea – farmers are happy**

At the same time, the tax payer's money is being spent for its legitimate use and no diversion of subsidized urea is being tolerated.

### **Easy availability of fertilisers**

**100% Neem Coated Urea introduced in 2015-16 for reduced use of chemicals and improved soil health.**

**It also reduced diversion of urea for non-agricultural purposes.**

**It has also led to increased Nitrogen Use Efficiency and helped increase the crop yield.**

**Significant increase in urea production since the introduction of the New Urea Policy.**

**Modi government is reviving closed fertilizer plants in Talcher, Ramagundam, Gorakhpur, Sindri and Barauni. This will boost fertilizer availability even further and provide jobs.**





Ministry of Information and Broadcasting  
Government of India