

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:1322  
ANSWERED ON:03.03.2015  
PRODUCTION OF FORTIFIED COATED UREA  
Shanavas Shri M. I.

**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

- (a) whether the Government proposes to encourage production and availability of fortified and coated urea in the country;
- (b) if so, the details thereof;
- (c) whether the Government also proposes to remove the cap and restrictions to produce neem coated urea in the country, and if so, the details thereof and notification issued in this regard,
- (d) whether the use of neem coated urea is proven to increase yields and lower input cost to farmers as per any authentic and scientific study; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR)

(a) & (b) Yes, Madam Indigenous manufactures/producers of urea are allowed to produce Neem Coated Urea upto maximum of their total production of subsidized urea and to restrict the extra MRP to be charged by the companies selling Neem Coated Urea to the extent of 5% of the existing MRP of urea only i.e. Rs. 5360/- per MT.

For Zincated urea, manufacturers are allowed to produce Zincated Urea upto a maximum of 20% of the total production of urea and to sell at a price upto 10% above MRP of urea.

(c): Yes, Madam This Department has removed the cap/restriction to produce Neem Coated Urea. A copy of notification no, 12012/20/2007-FPP dated 07th December, 2014 is annexed.

(d) & (e): Research on neem-coated urea by Indian Agricultural Research Institute, New Delhi indicated increase in the rice grain yield by 6.3% to 11.9% over normal urea.

The result obtained with neem-coated urea on the farmers fields have also shown a 2% to 10% higher grain yield of rice as compared to uncoated urea. The improvement in yield is obviously due to increase in nitrogen use efficiency and thereby it economizes the use of urea.