



The Fertiliser Association of India

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Current News

Current news on the latest developments in fertiliser, energy, weather, agriculture, agri-business, logistics, economy, and other related areas

(The views expressed in the news items are not necessarily of FAI)

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WEATHER

'Shear zone' develops over peninsula in anticipation of monsoon

The skies above South Peninsular India are preparing to host the South-West monsoon, which has currently dropped anchor around Sri Lanka.

Since yesterday, the India Met Department (IMD) has located a 'shear zone of monsoon turbulence' to a height of between three km and six km in the atmosphere over the South Peninsula.

OPPOSING WINDS

The shear zone is filled by opposing winds at these heights, and represents the level in the atmosphere where the monsoon is most active.

This zone sets up the platform for rain-bearing systems (low-pressure areas/ depressions) to play around in. The shear zone would strengthen further in consonance with the approach of the monsoon.

This morning, the shear zone is visible along the latitudes linking Idukki and Ernakulam in Kerala and further east to Theni and Sivaganga in Tamil Nadu, the IMD update said.

CLOUD BANKS

Morning satellite pictures show clouds hovering along the Kerala coast from Kannur to Kochi and in Tamil Nadu from Kalpakkam and Puducherry to Kumbakonam.

Further south of the peninsular tip, heavy clouds have been spotted along the south-west coast of Sri Lanka, linking Colombo, Moratuwa, Ambalangoda, Hikkaduwa, Galle, and Matara.

Individual banks of clouds lie to the east and north-east of the island (and adjoining South-West Bay of Bengal) as if in wait for the monsoon signal. Clouds are comparatively sparse over the Arabian Sea.

The Sri Lankan Met Department expects the monsoon to set in over the island by tomorrow, which is the normal time line for the event.

MONSOON PROGRESS

It has warned of high winds of up to 65 km/hr along the seas and 50 km/hr over land accompanied by thundershowers and at times fairly heavy falls.

Over the Maldives atolls, clouds are seen along a north-west to south-east alignment across the central parts. The monsoon had set in here by May 16, a duty forecaster at the Met station in Male had said.

An upper air cyclonic circulation over the West Arabian Sea, mid-way between the Maldives and the African coast but far away from the Indian coast, has managed to rally round some clouds there.

Going forward, weather model expects this circulation to undergo 'some helpful transformation' to set up favourable conditions for monsoon flows in the Arabian Sea and the onset over South India.

(This article was published on May 24, 2017)

Source: The Hindu Business Line, Wednesday, May 24, 2017

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Monsoon may hit Kerala before 30 May

The announced onset date for monsoon is 30 May, but there is a possibility that it may hit Kerala a day before that, says Ministry of Earth Sciences secretary

The India Meteorological Department (IMD) may have announced the onset of monsoon in Kerala on 30 May this year, but seasonal rainfall may arrive a day before.

Ministry of Earth Sciences (MoES) Secretary M.Rajeevan said the conditions look favourable for arrival of monsoon before the announced date.

“The announced onset date for monsoon is 30 May, but there is a possibility that it may hit Kerala a day before that,” Rajeevan told PTI.

The normal date of onset of monsoon over Kerala is 1 June, which marks arrival of seasonal rainfall in the country. With chances of El Nino, a phenomena associated with warming of Pacific waters, the IMD has predicted a normal monsoon this year.

Rajeevan said the ministry will also undertake a programme starting this monsoon to study the viability of cloud seeding. He was speaking at an event organised to publicise the ministry’s achievements since the NDA government came to power in 2014.

MoES minister Harsh Vardhan and his deputy Y.S. Chowdary were also present at the event. The programme will be carried out using two research aircrafts. One plane would be undertaking the exercise of cloud seeding while another aircraft would take samples to study its viability.

Solapur in Maharashtra has been chosen to conduct the research. “We intend to take 200 samples that can help us understand how effective is the concept of cloud seeding. The programme will be carried over a period of three years,” he said.

Several states like Kerala have also been conducting research on cloud seeding.

Source: Live mint, Wednesday, May 24, 2017

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ENERGY

Ratnagiri Gas demerger: GAIL to own LNG terminal, NTPC to get power plant

Ratnagiri Gas's LNG terminal will be led by GAIL India and will be its subsidiary, and the power plant will be led by NTPC, says GAIL India CMD B.C. Tripathi

Ratnagiri Gas and Power Pvt. Ltd (RGPPL) in Maharashtra is in the process of a demerger under which the company's gas import terminal will be majority-owned by GAIL India Ltd and the power plant by NTPC Ltd, a top GAIL executive said on Tuesday.

The project—once owned by US energy giant Enron Corp. which went bankrupt in 2001—in Maharashtra's Ratnagiri district is now owned by GAIL and NTPC that hold 25.51% stake each; financial institutions hold 35.47% and Maharashtra State Electricity Board has a 13.51% stake.

"The demerger is in the process. The LNG terminal will be led by GAIL and will be a subsidiary of GAIL, and the power plant will be led by NTPC," B.C. Tripathi, chairman and managing director, GAIL India told reporters.

On Monday, GAIL said its March-quarter net profit fell 69% from a year ago due to a Rs783 crore impairment charge on the RGPPL plant. Net profit fell to Rs260 crore in the quarter from Rs832 crore a year ago.

"In compliance of Ind AS 36, on impairment of assets, GAIL and NTPC carried out an assessment of impairment of investment in RGPPL as on 31 March considering the restructuring of the business. Accordingly, a provision of Rs783 crore has been made," the company's press statement said.

Tripathi said GAIL will invest Rs1,000 crore in building a breakwater facility for the LNG terminal.

RGPPL now receives cargoes only between October and May due to the lack of a breakwater to protect vessels from choppy seas during monsoon months.

"Last year, we utilized up to 1.5 million tonnes of capacity and going forward, this would be 2.5 million tonnes and once the breakwater is in place, it will be 4 million tonnes of capacity. For breakwater, we have received the bids already and we would be awarding the contracts in a couple of months from now," he added.

GAIL's capital expenditure for this fiscal is Rs3,000 crore and the company is bullish on the petrochemicals segment.

It is also working on a 1.7 million tonnes petrochemical plant in Kakinada, Andhra Pradesh where GAIL and Hindustan Petroleum Corp. Ltd will be partners. This is currently in the developmental stage, Tripathi added.

"Last year, we produced 577,000 tonnes of polymer. This was an increase of 40%. This year, we expect to go to almost 750,000 tonnes per annum. The second plant which was running at 40% capacity should go to almost 80-85% capacity this year. GAIL's subsidiary, Brahmaputra Cracker and Polymer Ltd in Assam is also running at 85% capacity. In total, GAIL will be marketing 1 million tonnes of petrochemicals this financial year," Tripathi said.

GAIL also plans to spend Rs1,500 crore in city gas going forward.

GAIL has been authorized to develop city gas supply in seven cities—Bhubaneswar, Cuttack, Ranchi, Varanasi, Kolkata, Patna and Jamshedpur. These cities will start getting piped gas supply in the next few years.

Source: Live mint, Wednesday, May 24, 2017

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FERTILISER

BoB, IFFCO launch co-branded debit card for farmers

Bank of Baroda and IFFCO on Tuesday rolled out their first set of co-branded debit cards for farmers as part of their efforts to push digitalisation. Both the organisations had in February entered into a memorandum of understanding (MoU) in this regard.

The co-branded debit cards, with inbuilt overdraft of Rs. 2,500 in a special savings bank account, can be used for purchase of various agri products at IFFCO sales counters.

PS Jayakumar, Managing Director and CEO, Bank of Baroda, handed out the co-branded debit card to 51 farmers of Khurja and Bulandshahar (Moradabad/Western UP zone of Bank of Baroda).

Two lakh co-branded debit cards will be issued initially to the farmers beginning with Uttar Pradesh, Bihar, Rajasthan and Madhya Pradesh. These debit cards will be used for purchase of IFFCO products only.

(This article was published in the Business Line print edition dated May 24, 2017)

Source: The Hindu Business Line, Wednesday, May 24, 2017

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AGRICULTURE

Karnataka looks at drip irrigation for sugarcane farming

Karnataka govt will take up 30,000 acres of sugarcane farming land under drip irrigation for a pilot project to highlight the advantages of the low water intensive agricultural practices. The Karnataka government on Tuesday said that it will take up at least 30,000 acres of sugarcane farming land under drip irrigation for a pilot project to highlight the advantages of the low water intensive agricultural practices in the backdrop of unreliable monsoon seasons and resulting droughts leading to increase in the gap between demand and supply of the precious resource.

Karnataka, which accounts for 10% of the total sugarcane produce in the country, has about 1 million acres of sugarcane under cultivation, of which around 300,000 acres are canal irrigated. "Agriculture accounts for nearly 85% of the water consumed in the state and any incremental efficiency leads to huge savings," said Aravind Galagali, director of Krishna Bhagya Jala Nigam Ltd (KBJNL)-a state government owned body responsible for planning, investigation, execution and operation all irrigation projects coming under the Upper Krishna Project.

Reeling under its second consecutive drought year and resulting water shortages, the Karnataka government has been investing resources to reduce water consumption by the agricultural sector and promoting drought resistant alternatives like millets. The state has over 50% of its entire area classified as drought prone and is also home to the second most arid region in the country. The state government has been carrying out pilots in efficient water usage through projects like Ramthal drip irrigation project-touted to be the largest in the world benefitting over 15,000 farmers and 24,000 hectares.

Announcing the launch of a multi stakeholder platform between the state government and Water Resources Group 2030 on Tuesday, experts said that the rapidly growing population will see the urban water demand-supply grow from 24% in 2011 to 58% in 2030 if more efficient agricultural practices are not adopted at the earliest.

"Protecting the world's water resources is a shared responsibility. Our work is based on collaboration among governments, financial institutions, non-governmental organisations, civil society agencies, and companies to close the gap between water demand and supply by the year 2030," said Bastiaan Mohrmann, co-lead Asia and Middle East for 2030WRG, an advisory group that is trying to bring public-private-civil society collaboration on sustainable uses of water.

The pilot project, expected to commence around October, will cost around Rs 1.25 lakh per acre. Galagali said that KBJNL and other agencies have recommended that Rs 85,000 for infrastructure like pumps and pipes be borne by the government and Rs 40,000 by the farmer. He added that the government has spoken to sugarcane farmers, sugar manufacturing companies and banks on the issue to help fund the farmers share of the contribution. Galagali said that sugar manufacturers have agreed to partially guarantee the loans availed by farmers for the proposed project.

B.G. Gurupadaswamy, secretary to Karnataka's water resources department, said that they had to show the benefits of drip irrigation to farmers for the community-over 75 lakh in the state-to adopt these practices. He said that drip irrigation in sugarcane has been proven to increase the yield by 25-30%, translate into higher returns and result in higher water savings for the state.

Mohrmann added that the platform is also promoting drip-to-market agri corridor cluster concept where drip irrigation infrastructure will be connected to sustainable offtake in partnership with buyers for the produce.

Source: Live mint, Wednesday, May 24, 2017

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ECONOMY

India's digital economy set to grow from \$270 bn to \$1 tn by 2024, says Ravi Shankar Prasad

India's digital economy is expected to grow from the current \$270 billion to around \$1 trillion in the next 5-7 years.

India's digital economy is expected to grow from the current \$270 billion to around \$1 trillion in the next 5-7 years, aided by the exponential growth witnessed in e-commerce, electronic manufacturing, IT services, financial technologies (FinTech), and telecom among others, minister for electronics and IT (MeitY) Ravi Shankar Prasad said on Tuesday.

He said the government has roped in management consulting firm McKinsey to prepare a Digital India Index, which will evaluate the Centre and state on various key indices such as eHealth, eEducation, eGovernance and digital infrastructure. The digital economy, among others, will help the country align to its goals of expanding the economy as well as boost value addition and enhance jobs.

Elaborating on the growth projections, MeitY secretary Aruna Sundararajan said sectors such as communications, including telecom, IT services, eCommerce, FinTech and electronics manufacturing, are growing at a good pace, and in the coming years these sectors will expand further contributing to the country's digital economic muscle.

For example, India's IT exports stood at Rs7.3 lakh crore in the last fiscal against Rs7 lakh crore in FY 15-16. Besides, close to Rs90,000 crore worth of mobile handsets, in value terms, were produced in the country in FY17.

At present, the domestic IT sector is worth around \$140 billion, communications (\$40 billion), electronics manufacturing (\$40 billion) and FinTech is close to \$50 billion.

Brushing aside reports of large-scale job losses in the IT-ITeS industry, Prasad said the employment potential and prospects in the IT and related sectors are "very robust and promising".

That apart, the emerging and promising digital economy in the country is going create a very powerful potential for job creation and the government's stress on cybersecurity will lead to greater focus on innovation, research and thus, significant potential for job creation, the government said.

The MeitY secretary said there is a need to review the industry's business model in the light of changing dynamics and growing thrust on automation, AI and data analytics. She also stressed more skilling initiatives in the sector to enhance the skill sets of the IT workforce.

Prasad on Tuesday also announced that the government will create a Digital India Corporation that will provide strategic support to ministries/departments at both the Centre and states for carrying forward the 'Digital India' mission through capacity building for eGovernance projects, promoting best practices, encouraging public-private partnerships (PPP), and nurturing innovation among others. The organisation will hire talent both from the government as well as the industry.

Source: Financial Express, Wednesday, May 24, 2017

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FOREIGN EXCHANGE RATES – Tuesday, May 23, 2017

Currency	Buy (₹)		Sell (₹)	
	TT	Bill	TT	Bill
Dollar	64.94	64.98	64.86	64.84
Euro	72.83	72.86	72.74	72.72
Pound Sterling	84.24	84.28	84.16	84.15
100 Yen	58.43	58.46	58.33	58.32

Source: The Hindu Business Line, Wednesday, May 24, 2017

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