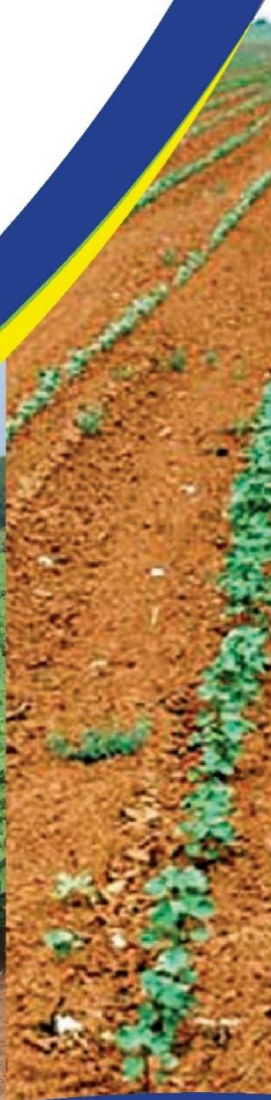




**COTTON  
ASSOCIATION  
OF INDIA**

*Established 1921*

ISO 9001:2015



# News Relating to **Cotton and Textile Sector**

Date-07-07-2026

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**COTTON ASSOCIATION OF INDIA**  
 ISO 9001:2015

# COTTON ASSOCIATION OF INDIA

(Regd. Office : Cotton Exchange Building, 2<sup>nd</sup> Floor, Cotton Green (E), Mumbai 400 033)  
 Tel. No. 022-20830685 / 8657442944-48 Email: cai@caionline.in Website: www.caionline.in

**Mumbai, Tuesday 7th July 2026 at 3.00 P.M.**

## UPCOUNTRY SPOT RATES

Standard Descriptions with Basic Grade & Staple in Millimetres based on Upper Half Mean Length As per CAI By-laws								Rs. per Quintal	Rs. per Candy	Variation + (Plus) - (Minus)	
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Gravimetric Trash %	Strength / GPT	2025-26	2025-26		
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	4%	15	14397	51200	(+200)	
2	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	15%	20	12204	43400	(+200)	
3	M/M(P)	ICS-104	Fine	23mm	4.5 - 7.0	4%	22	14679	52200	(+200)	
4	P / H / R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	16338	58100	(+200)	
5	M/M(P) /SA/TL/GUJ	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	14847	52800	(+200)	
6	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	16169	57500	(+300)	
7	P/ H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	16900	60100	(+200)	
8	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	17491	62200	(+500)	
9	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	17181	61100	(+500)	
10	GUJ	ICS-105	Fine	28mm	3.7 – 4.9	3%	27	17350	61700	(+400)	
11	R(L)	ICS-105	Fine	28mm	3.7 – 4.9	4.0%	27	17069	60700	(+400)	
12	R(L)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	17800	63300	(+400)	
13	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	17997	64000	(+400)	
14	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	17687	62900	(+600)	
15	GUJ	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	17969	63900	(+500)	
16	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	18278	65000	(+400)	
17	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	18109	64400	(+400)	
18	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	N.A.	N.A.		
19	SA/TL/K/TN/O	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	N.A.	N.A.		
20	SA/TL/K/TN/O	ICS-106	Fine	32mm	3.5 – 4.9	3%	31	N.A.	N.A.		
21	M/M(P)	ICS-107	Fine	34mm	2.8 - 3.7	4%	33	23340	83000	(N.C.)	
22	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	23480	83500	(N.C.)	
23	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	24183	86000	(N.C.)	
24	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	24324	86500	(N.C.)	
Note:1	Official spot rates are fixed and registered by CAI on the basis of average price inclusive of spot brokerage as per respective State Dharas, and for 15 days credit from the date of passing and cash discount @ 15% per annum, except for Northern area (excluding Lower Rajasthan), in which case spot rates fixed and registered are for payment terms: 7 days from the date of pressing at Upcountry Spot Markets ex-gin, excluding Tax. These rates are for domestic transaction only							<b>Secretary</b>			
2	P/H/R(U) ICS-202 (SG) rate is lower by Rs. 1000/ pc than Sr. no. 4										
3	Strength:Grams per tex (HVI Mode) (Prorate basis) a) 1 gpt pts lower Rs 500/pc b) 2 gpt pts lower Rs 1,000/pc c) 3 gpt pts lower Rs 2,000/pc d) 4 gpt pts lower Rs 3,000/pc										
4	Staple length : Upper Half Mean Length										
5	Gravimetric Trash Percentage										
6	Moisture by probe method maximum 9%										
7	Base Grade 'Fine' of bulk of the cotton of the staple length range of 29mm to 32mm consists of – (i) Colour grade 31/3 (ii) RD 75										
8	In Rates acceptable up to a maximum 5.50 Micronaire with proportionate discount @ Rs.150/- per point per candy over 4.9 Micronaire										
9	For M/M(P)/SA/TL/GUJ-Sr No. 5 are for 67 Rd										
10	For Northern Zone (P/H/R(U)-Sr. Nos. 4 and 7 are for 70 Rd										
11	For M/M(P)/SA/TL-Sr Nos. 6, 8, 9, and GUJ-Sr No.10 are for 74 Rd										
12	For R(L)-Sr. No. 11 is for 72 Rd and 12 is for 73 Rd										
13	For M/M(P) and K/TN-Sr Nos. 21 to 24 are for 70-72 Rd										

## ICE Cotton Futures: 06-07-2026

ICE COTTON CLOSE						06 Jul 2026
CONTRACT MONTH	OPEN	HIGH	LOW	SETTLE	CHANGE	Op. Int.
Cotton (CT) - Quote: Cents/Pound - Contract Size: 50,000 Pounds.						
Jul-26	0.00	73.95	73.95	73.95	▲ 1.38	56
Oct-26	75.86	76.83	75.86	76.72	▲ 1.38	166
Dec-26	77.81	78.65	77.55	78.30	▲ 1.18	2,04,054
Mar-27	79.00	80.05	79.00	79.72	▲ 1.20	55,576
May-27	80.20	80.98	79.97	80.64	▲ 1.12	17,150
Jul-27	80.23	80.84	80.01	80.55	▲ 0.99	11,496
Oct-27	0.00	77.83	77.83	77.83	▲ 0.61	5

## Cotlook Index: 06-07-2026

**85.80 (Unch)**

## ICE cotton advances on US weather concerns, grain market rally

Tue. 7<sup>th</sup> July 2026 (Source: [www.fibre2fashion.com/news](http://www.fibre2fashion.com/news))

### Insights

ICE cotton futures rose over 1.5 per cent, supported by US weather concerns and a rally in CBOT grain markets, marking the fourth gain in five sessions.

Limited rainfall in US cotton areas and delayed crop development in India underpinned sentiment, while USDA lowered the US cotton crop's good-to-excellent rating.

Trading volumes remained light despite the price rally.



ICE cotton futures gained yesterday due to fresh weather concerns in the US and stronger grain markets. US cotton has recorded four higher closes in the last five trading sessions. Cotton-growing areas in the US witnessed scattered rainfall, but it was not enough to significantly improve soil moisture.

The most active December 2026 contract settled at 78.38 cents, up 1.18 cents or 1.53 per cent. The contract reached an intraday high of 78.65 cents per pound in the afternoon before the last trade at 78.57 cents, with buying supported by a strong rally in agricultural commodities. Other contracts finished with gains

ranging from 48 to 138 points.

The main driver behind the advance was short-term weather concerns in the US, combined with sharp gains in CBOT grain futures, while cotton-specific news remained limited.

Market analysts said cotton prices were supported by weather concerns and strength in CBOT grains. Scattered rainfall occurred across parts of the southern US over the weekend, but totals were generally light and insufficient to significantly improve soil moisture. Last week, a strong heat dome developed across the US Midwest, producing record-high temperatures and increasing concerns that prolonged hot and dry weather could stress crops.

The Indian monsoon continues to advance, although crop development remains behind normal because earlier rainfall was insufficient. India experienced one of its driest Junes since 1901, with rainfall around 11 per cent below normal, delaying the planting of cotton and other summer crops.

The latest USDA Crop Progress Report showed that 46 per cent of the US cotton crop was rated Good-to-Excellent, down from 48 per cent the previous week and 52 per cent a year ago. Cotton squaring reached 49 per cent, compared with 37 per cent last week, 47 per cent a year ago, and the five-year average of 47 per cent. Cotton setting bolls reached 14 per cent, compared with 9 per cent the previous week, 13 per cent a year ago, and matching the five-year average of 14 per cent.

CBOT grain markets posted strong gains, with soybeans up 3.9 per cent, corn up 3.7 per cent, and wheat up 2.4 per cent, as traders reacted to Midwest heat and improving export demand.

International crude oil traded near a two-week low after OPEC+ approved another production increase for August, while expectations of higher exports from Kazakhstan and Iraq also pressured prices.

Trading volume totalled 36,901 contracts, improving from 29,623 contracts on Thursday but remaining light compared with most sessions in 2026. The average daily volume last week was 35,038 contracts, the lightest weekly average of the year.

In the July delivery process, it was the eighth notice day, with 56 delivery notices issued, matching the 56 contracts of remaining open interest. The July contract did not trade but remains available

through Thursday. Total delivery notices now stand at 617 contracts, all of which could be original notices. ICE-certified cotton stocks remained unchanged at 185,034 bales, holding at the same level since June 26.

Broader financial markets remained supportive, with the Dow Jones Industrial Average reaching new all-time intraday and closing highs, while the S&P 500 and Nasdaq Composite also advanced but remained below their June 2 record closing levels, reflecting a broad risk-on sentiment as investors returned after the US holiday weekend.

This morning (Indian Standard Time), ICE cotton for December 2026 traded at 79.05 cents per pound (up 0.75 cent), cash cotton at 72.72 cents (up 1.38 cents), the July 2026 contract at 73.95 cents (up 1.38 cents), the October 2026 contract at 77.92 cents (up 1.20 cents), the March 2027 contract at 80.52 cents (up 0.80 cent), and the May 2027 contract at 81.38 cents (up 0.74 cent). A few contracts remained at their previous closing levels, with no trading recorded so far today.

## **India's Jharkhand unveils drafts of industrial, textile policies**

Tue. 7<sup>th</sup> July 2026 (Source: [www.fibre2fashion.com/news](http://www.fibre2fashion.com/news))

### Insights

India's Jharkhand state has unveiled the draft versions of the Jharkhand Textile, Apparel & Footwear Policy 2026 and the Jharkhand Industrial Investment Promotion Policy 2026, seeking feedback from stakeholders.

The latter aims at aligning with key national initiatives, enabling the state to integrate into global value chains and promote high-value segments like tech textiles and MMF products.

The eastern state of India Jharkhand has recently unveiled the draft versions of the Jharkhand Textile, Apparel & Footwear Policy 2026 and the Jharkhand Industrial Investment Promotion Policy (JIIPP) 2026, seeking feedback from industry participants, policy experts and citizens.

The state government will host a two-day National Stakeholder Consultation Meet in New Delhi on July 8-9 to further refine the proposed frameworks and attract national and global investment interest. A dedicated feedback session on July 9 will be held under the leadership of Jharkhand chief minister Hemant Soren.

The Jharkhand Textile, Apparel and Footwear Policy 2026 aims at leveraging the state's inherent strengths while aligning with key national initiatives such as PM MITRA Parks, Production-Linked Incentive (PLI) scheme, SAMARTH and the National Technical Textiles Mission, enabling the state to integrate into global value chains and promote high-value segments like technical textiles and man-made fibre-based products, the draft policy document said.

Recognising the labour-intensive nature of the sector, the policy seeks to unlock substantial employment potential, with a target of generating over 20,000 additional jobs and mobilising investments exceeding ₹10 billion (~\$100 million).

It also aims at enhancing Jharkhand's contribution to national textile exports by improving competitiveness, quality standards and innovation.

The state aspires to position itself as a leading textile, apparel and footwear hub in eastern India, driving industrial growth, strengthening livelihoods and contributing to inclusive socio-economic transformation, the draft document noted.

The state shall adopt a cluster-based development model to improve efficiency, reduce costs and enhance competitiveness.

Textile clusters shall be supported with common infrastructure, access to modern technology and shared services including testing, design and marketing.

Existing industrial areas shall be upgraded under a brownfield approach with both physical infrastructure and soft support, ie, skill development, branding and capacity building.

Recognising technical textiles as a high-growth sector, the state shall promote investment in non-woven and specialised textile products that have significant applications in strategic sectors like healthcare, infrastructure and defence.

## **Weekly Monsoon Tracker: Weak Rainfall Slows Cotton and Soybean Sowing**

Tue. 7<sup>th</sup> July 2026, Jayesh chouhan (Source: [www.smartinfoindia.com](http://www.smartinfoindia.com))

### **Weekly Monsoon Tracker: Cotton and Soybean Sowing Hit by Weak Rainfall**

The slow progress of the monsoon and below-normal rainfall across several parts of the country are impacting the sowing of key Kharif crops, particularly cotton and soybean. According to Ministry of Agriculture data, the acreage for both crops as of July 5 was significantly lower compared to the previous year, raising concerns among both farmers and the market.

Cotton sowing stood at 63.18 lakh hectares as of July 5, approximately 23 percent lower than the 82 lakh hectares recorded during the same period last year. This figure is also below the normal acreage of 76.12 lakh hectares. A weak start to the monsoon and uneven rainfall distribution in major cotton-producing states have hampered the pace of sowing. Farmers in many regions have delayed sowing while waiting for adequate soil moisture, and there are also apprehensions regarding the need for re-sowing in some areas.

The situation for soybean also remains under pressure. Sluggish soybean sowing has been a primary factor in the overall decline in oilseed acreage. A lack of soil moisture—caused by weak rainfall in June across central India's major soybean-producing regions—prevented sowing operations from gaining normal momentum. Industry and trade circles are now closely watching rainfall patterns for the second week of July, as this period is considered crucial for soybean sowing.

The impact of the rainfall deficit extends beyond the fields. As of July 5, the country had received 24 percent less rainfall than normal, and according to the Central Water Commission, water storage levels in major reservoirs remain below normal. This has heightened anxiety among farmers in regions dependent on irrigation.

However, the Meteorological Department has forecast widespread rainfall across several parts of the country between July 6 and July 12. If this forecast holds true, the pace of cotton and soybean sowing could accelerate, potentially making up for some of the shortfall experienced so far.

## **Tamil Nadu Open-End Spinning Mills Face Pressure from Rising Cotton Waste Prices**

Tue. 7<sup>th</sup> July 2026, Jayesh chouhan (Source: [www.smartinfoindia.com](http://www.smartinfoindia.com))

### **Tamil Nadu's Open-End Spinning Mills Grapple with Rising Raw Material Prices**

Open-end spinning mills in Tamil Nadu are currently under pressure due to the rising cost of raw materials. The industry states that the modernization of mills has driven up the demand for cotton waste (specifically comber noil), keeping prices high and squeezing profit margins.

The Open-End Spinning Mills Association and the Recycle Textile Federation have urged the central government to regulate the export of cotton waste. They note that while the price of cotton waste has dropped by ₹20 per kilogram recently, a further reduction of ₹10 per kilogram is needed to provide relief to industries that utilize yarn made from cotton waste.

According to the industry, most open-end spinning mills in North India have already adopted modern technology, whereas approximately 40 percent of mills in Tamil Nadu still require modernization. While the adoption of new technology has nearly doubled yarn production, it has also led to a sharp rise in the demand for cotton waste.

During May, the price of cotton waste (comber noil) reached ₹140 per kilogram. G. Arulmozhi, President of the Open-End Spinning Mills Association, stated that if mills raise yarn prices to offset these rising costs, it would place an additional financial burden on home textile units and powerloom weavers in Karur, as they are not in a position to absorb higher prices.

Cotton waste is a by-product of textile mills, typically priced at around 65 percent of the cost of raw cotton. However, prices have seen an unusual surge due to rising exports of comber noil and a spike in domestic demand.

## **Maharashtra: Rain Deficit Forces Cotton Farmers in Rajura to Re-sow Crops**

Tue. 7<sup>th</sup> July 2026, Jayesh chouhan (Source: [www.smartinfoindia.com](http://www.smartinfoindia.com))

## Maharashtra: Cotton Crop Threatened by Lack of Rain in Rajura; Farmers Face Challenge of Re-sowing

Cotton crops in the Rajura taluka of Maharashtra's Chandrapur district have been adversely affected by a lack of timely and adequate rainfall. Farmers had sown cotton on a large scale following light showers at the onset of the Mrig Nakshatra; however, the subsequent cessation of rain caused seeds to dry up within the soil in many areas. Farmers now face the crisis of re-sowing, raising concerns right at the start of the Kharif season.

Encouraged by sporadic rainfall over the initial two or three days, farmers had hoped for an early onset of the monsoon. Relying on this expectation, they sowed cotton seeds in the dry soil. However, the absence of rain over the past four to five days prevented the soil from retaining sufficient moisture, causing sprouts to perish in many locations before they could even emerge from the ground.

The situation remains critical in several villages across Rajura taluka, including Govari, Sasti, Povni, Sakhri, Chincholi, Kadholi, Manauli, Babapur, Charli, Nirli, Ghidshi, Mathra, Goyegaon, and Antargaon. Farmers state that despite incurring significant expenses on expensive seeds, fertilizers, and land preparation, the lack of rain has dashed their hopes.

The erratic weather pattern has further complicated farming plans. Farmers who had cultivated their land using loans or credit must now arrange additional funds for re-sowing, a situation likely to exacerbate their financial hardships.

Taluka Agriculture Officer Vinayak Payghan has advised farmers against taking the risk of sowing based solely on sporadic rainfall. According to him, sowing should only be undertaken once there has been at least 100 mm of rainfall and the soil holds adequate moisture.

Farmers explain that they had sown cotton anticipating good rainfall during the Mrig Nakshatra, but the absence of rain at this crucial juncture caused the sprouts to wither underground. This has resulted in severe crop damage, leaving many farmers with no choice but to re-sow.

## **New Zealand sees stronger India demand ahead of FTA rollout**

Tue. 7<sup>th</sup> July 2026, Jayesh chouhan (Source: [www.smartinfoindia.com](http://www.smartinfoindia.com))

### Insights

New Zealand exporters report stronger India demand before the FTA, with engagement extending to wool, forestry, chip, and pulp.

Indian wool delegations sought premium fibres, processing technology, and advisory expertise, signalling textile sourcing interest.

The FTA is before Parliament and expected later in 2026; 57 per cent of New Zealand exports to India will be tariff-free from day one.

New Zealand exporters are recording stronger demand in India before the New Zealand-India Free Trade Agreement (FTA) enters into force, a development relevant to wool buyers and textile supply chains tracking premium fibres, processing technology and advisory services linked to New Zealand.

Todd McClay, Trade Minister of New Zealand said: "Export volumes are up because businesses and customers can see the quality of what New Zealand has to offer."

He said the FTA has been signed, is before Parliament and is expected to enter into force later in 2026. On entry, 57 per cent of New Zealand exports to India will be tariff-free from day one, with further benefits phased in over time.

Engagement is also extending to forestry and wool, according to a statement released today on the official site of the government of New Zealand.

Matariki Forests sent its first shipment of logs from Bluff to India since 2020 in June, chip and pulp exporters reported strong momentum, and New Zealand recently hosted Indian wool delegations seeking access to premium fibres as well as processing, technology and advisory expertise.

For wool suppliers, importers and sourcing teams, the next milestone is the agreement's entry into force.

McClay said exporters that built relationships early were positioned to use the FTA when it starts, and that further success stories were expected in the months ahead.



# COTTON ASSOCIATION OF INDIA

Established 1921

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(Recognised by BIS)

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Adoni

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Cotton Research and Development



Issue Certificate of Origin



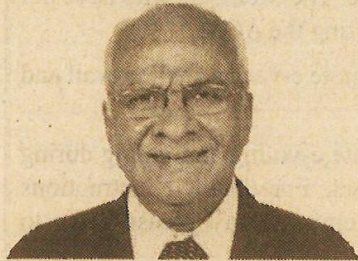
Indian Cotton Statistics



Publications

Represented on various International Cotton Fora i.e. ICAC, ICA, CICC, ACSA, ITMF and several other International Cotton Associations

# Rodtep scrolls can stop until annual return is filed



**CHATROOM**

**TNC RAJAGOPALAN**

**Our customer in the UK wants our quotation to state the unit weight in pounds and ounces instead of the metric system we normally use. Is it allowed?**

■ Yes, for export quotations. Section 4 of the Legal Metrology Act, 2009 says every unit of weight or measure shall be in accordance with the metric system based on the International System of Units. Section 11(1)(a) says no person shall, in relation to any goods, things or service, quote any price or charge otherwise than in accordance with the standard unit of weight, measure or numeration. However, Section 11(2) says Section 11(1) shall not apply to export of any goods, things or service. Therefore, for an export quotation to a UK customer, unit weight may be stated in pounds and ounces. For domestic sale documents, the metric system should be used.

**We claimed Rodtep (Remission of Duties and Taxes on Exported Prod-**

**ucts) of more than ₹1 crore but did not file the Annual Rodtep Return (ARR). Can the DGFT (Directorate General of Foreign Trade) deny future scrolls?**

■ Yes. Para 4.94 of the Handbook of Procedures, 2023, added through DGFT Public Notice No. 27/2024-25 dated October 23, 2024, makes filing of the ARR mandatory where Rodtep claims for an IEC (Import Export Code) exceed ₹1 crore in a financial year. It says ARR non-reporting will lead to denial of benefits and no further scroll out of Rodtep claims at the Customs port after the grace period of three months, i.e. after June 30. However, scrolls can be resumed after filing the ARR and paying the applicable composition fee. Exporters should not treat ARR as a mere statistical exercise.

**Which law governs liability of carriers for damage to goods carried by sea from Indian ports?**

■ The governing law is the Carriage of Goods by Sea Act, 2025, which came into force on September 10, 2025. Section 3 says that, subject to the Act, the rules in the Schedule apply to carriage of goods by sea in ships carrying goods from any port in India to any other port, whether in or outside India. The Schedule defines the “carriage of

goods” period from loading to discharge. It imposes responsibilities and liabilities on the carrier for loading, handling, stowage, carriage, custody, care and discharge of goods. It also requires the carrier, before and at the beginning of the voyage, to exercise due diligence to make the ship seaworthy and cargo spaces fit and safe.

**We import from our overseas group company. Will Customs reject our declared value merely because we are related?**

■ No. The declared value cannot be rejected merely because the buyer and seller are related. Rule 3(3) of the Customs Valuation Rules, 2007 says transaction value can be accepted if the relationship has not influenced the price. However, the importer must be ready with transfer-pricing policy, price lists, comparable import data, royalty or technical-fee details and inter-company agreements. Cases may be referred to the Special Valuation Branch under CBIC Circular No. 5/2016-Customs dated February 9, 2016 where Customs sees prima facie need for inquiry.

*Business Standard* invites readers' SME queries related to GST, export and import matters. You can write to us at [smechat@bsmail.in](mailto:smechat@bsmail.in)

# National level co-operative life insurance company soon: Shah

Prabhudatta Mishra  
New Delhi

Union Cooperation Minister Amit Shah on Monday announced that a pan-India co-operative life insurance company will soon be established.

This will mark the fifth national-level co-operative body launched by the NDA government, following the recent setup of dedicated entities for exports, seeds, organic products and taxi services.

Addressing an event on the 5<sup>th</sup> Foundation Day of the Ministry of Cooperation, Shah said: “On the line of Bharat Taxi, we will develop utility aggregator co-operatives in the coming days. Like the IFFCO-Tokio successful model, we are going to set up a co-operative life insurance company which will help boost the insurance sector in the co-operative sector.” He also said Bharat Taxi has been doing well and would be expanded to over 500 cities in the next two years.

Sources said that work has started on the formation of a co-operative LIC for which the Ministry would seek approval of the Insurance Regulatory & Development Authority of India (IRDAI) and the final operation may begin in 6-12 months.

Alleging that co-operatives were a neglected movement during the Congress rule, Shah said establishment of the Ministry has given a new ‘lifeline’ to India’s co-operative sector. After many years, thanks to the Ministry of Cooperation’s initiative, nine national-level co-operative societies have been created, combining three national-level co-operative societies.

Through these nine societies, co-operation has been integrated into nine different sectors, from the countryside to the villages, he said.



**MOVING FORWARD.** Home and Cooperation Minister Amit Shah at the Cooperation Ministry’s 5<sup>th</sup> Foundation Day Ceremony in New Delhi on Monday. Union Minister Rajiv Ranjan Singh was also present ANI

The Minister also said that just as IFFCO, Kribhco, Amul and the National Dairy Development Board (NDDB) — all created before 2014 — have established the co-operative movement and established it globally, the nine national-level co-operative societies will also become major global entities.

Shah credited leadership and professionalism for the successful performance of IFFCO, KRIBHCO, Amul and NDDB and hoped that Tribhuvan Cooperative University (formerly Institute of Rural Management Anand) would prepare trained professionals in banking, dairy, marketing, agriculture, fertilizers, and other co-operative sectors.

“A study of these (successful) institutions revealed that while their leadership was in the hands of people associated with co-operatives, their administration and governance were run professionally,” he said.

## AMENDMENTS IN ACT

Highlighting that the Centre has made 50 important amendments in the Multi-State Cooperative Societies Act 2002 after creation of a separate Ministry, he said the entire co-operative system has become more transparent and democratic.

Appealing chemical fertilizer manufacturers to start producing organic manure, Shah said it is crucial to promote organic production

today. “We are also concerned about the health of our 1.4 billion population and people around the world. Indian farmers should increase organic production. It is a misconception that eliminating the use of chemical fertilizers will reduce production. It has been proven in the last five years that reducing the use of chemical fertilizers does not reduce production, but rather increases it and also conserves land,” he said.

Stating that by implementing a 100 per cent circular economy in the sugar and dairy sectors, an indigenous fertilizer alternative to DAP will be created which will be cheaper and better in quality, the minister asked farmers to embrace the new product.

He also launched the Goday Sahakari Samiti Ltd, and hoped that it would advance the entire circular economy in the dairy sector through animal feed, animal health, artificial insemination, dung management, organic fertilizer, and renewable energy production.

He stated that the seed production co-operative — Bharatiya Beej Sahakari Samiti Ltd (BSSSL) — will become India’s largest non-governmental seed production company in next three years. He also said that by providing high-yielding, uniformly sized potato seed varieties to farmers, India would be able to attract the global chips industry.

# Asean seeks deeper tariff cuts

**TAKING STOCK.** Commerce Dept identifying low impact items for tariff reductions

**Amiti Sen**  
New Delhi

The Asean bloc is pressing for greater tariff concessions from India as negotiations to review the Asean-India Trade in Goods Agreement (AITIGA) gather momentum, with New Delhi weighing calibrated tariff reductions in return for improved market access to address its widening trade deficit with the region, sources said.

“While the Asean acknowledges the need to bridge India’s trade deficit by offering greater market access to Indian goods, it too wants lower tariffs in India for some of its products. The Department of Commerce is taking inputs from the industry on products where tariffs can be further reduced or eliminated without adversely affecting domestic manufacturers,” a person tracking the matter told *businessline*.

India’s trade deficit with Asean has widened sharply to \$45.2 billion in FY25 from about \$7 billion in 2010 when the AITIGA was imple-



**WIDENING GAP.** India’s trade deficit with Asean has widened sharply to \$45.2 billion in FY25 from about \$7 billion in 2010

mented. This has been driven by lower tariff reduction commitments undertaken by some member countries, such as Thailand and Vietnam, as well as poor utilisation of the pact by Indian exporters, experts said.

The ten-member Asean includes Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam

India has been seeking a more balanced agreement that improves market access for its exports while addressing concerns over the growing trade imbalance.

## **FEEDBACK SOUGHT**

As part of the review process, the Department of Com-

merce has sought stakeholder feedback on products being considered for further tariff liberalisation or elimination.

The Department has tried to select items that are not significantly sensitive from an India-Asean trade perspective, with India being a net exporter in these categories while Asean countries and China are net importers. Many of these products have already been liberalised under India’s existing free trade agreements, and in several cases China’s share in Asean imports is relatively low, the source said.

Industry feedback will help determine which products can be offered for deeper liberalisation under

the revised agreement, the source added. New Delhi also wants stronger safeguards against the alleged misuse of rules of origin, which it believes has enabled cheap Chinese goods to enter the Indian market through Asean countries.

Speaking at a recent media briefing, Ministry of External Affairs Secretary (East) Rudrendra Tandon said the review was aimed at making the agreement more relevant to current economic realities. “It’s a multilateral agreement, so it requires all Asean countries together. We discussed with all our Asean partners about the importance of upgrading, reviewing the Asean-India Trade in Goods Agreement, which is a very old agreement and probably does not reflect the structures of the economies either in India or in Asean,” he said.

Tandon said the review seeks to achieve “greater liberalisation on both sides,” with the objective of expanding market access for businesses in India and Asean while ensuring that any changes are agreed upon by all member countries.

# Paddy acreage sees major recovery on 35% surplus rain during July 1-5

**SOWING WOES.** However, overall area is down 21% as coarse cereals, pulses and oilseeds' acreage trails

**Prabhudatta Mishra**  
New Delhi

Aided by a 35 per cent surplus of rain in the first five days of this month, the coverage of the kharif season's main cereal, paddy, narrowed its deficit to 13 per cent as of July 5 against a shortfall of 25 per cent until June 25.

However, the overall acreage of all crops was still lower by 21 per cent against the 23 per cent gap as of June 25.

## COVERAGE GAP

According to data, the acreage reached 350.85 lakh hectares (lh) as of July 5, which is 32 per cent of the season's normal area of 1,104.46 lh and 21 per cent less compared with 442.80 lh in the year-ago period.

After the revival of the monsoon from July 1, the

overall deficiency, which was 39 per cent in June, has now been reported at 20 per cent during June 1-6, the India Meteorological Department (IMD) data show.

As central India and the North-West region have received good rain in the past few days, experts said sowing activities will get a boost, and more coverage is expected in the next week.

## COTTON 23% LOWER

The kharif season's main cereal paddy has been transplanted on 60.24 lh against 69.30 lh a year ago, while pulses acreage reached 37.15 lh against 47.49 lh and that of oilseeds at 66.31 lh against 109.27 lh.

The coverage of nutri/coarse cereals was reported 16 per cent lower at 60.12 lh against 71.86 lh.

Cotton acreage is 23 per cent lower at 63.18 lh from 82 lh, while soybean is down

Kharif sowing* (lakh hectare)			
	2025	2026	% Change
Paddy	69.30	60.24	-13.1
Pulses	47.49	37.15	-21.8
Arhar	21.00	12.35	-41.2
Urdbean	4.63	3.01	-35.0
Moongbean	17.20	16.81	-2.3
Shri Anna cum Coarse cereals	71.86	60.12	-16.3
Jowar	4.89	4.53	-7.4
Bajra	30.00	20.82	-30.6
Ragi	0.88	0.84	-4.5
Maize	35.00	32.94	-5.9
Oilseeds	109.27	66.31	-39.3
Groundnut	28.00	16.93	-39.5
Soybean	79.20	47.80	-39.6
Cotton	82.00	63.18	-23.0
Sugarcane	56.72	57.58	1.5
<b>All Crops</b>	<b>442.80</b>	<b>350.85</b>	<b>-20.8</b>

\*As of July 5; Source: Agriculture Ministry

to 47.80 lh from 79.20 lh, and groundnut to 16.93 lh from 28 lh.

Among pulses, arhar (pigeon peas) sowing reached 12.35 lh, down from 21 lh,



moong (green gram) 16.81 lh from 17.20 lh and urad (black matpe) at 3.01 lh from 4.63 lh. Among the coarse/nutri cereals, jowar area reached 4.53 lh against 4.89 lh a year ago, whereas bajra dipped to 20.82 lh from 30 lh, ragi at 0.84 lh from 0.88 lh and maize at 32.94 lh from 35 lh.

Sugarcane acreage has reached 57.58 lh against 56.72 lh a year ago, while jute and mesta coverage were reported at 6.28 lh from 6.16 lh, data show.

## CROP TARGETS

The government has fixed a production target of 176.16 million tonnes (mt) of foodgrains, which includes 123.15 mt of rice, 8.4 mt of pulses, 31.04 mt of maize and 13.56 mt of nutri cereals during Kharif 2026.

As part of the 28.92 mt oilseeds target, the aim for soybean is 14.85 mt and groundnut 11.35 mt.

# Monsoon recovers across India, but North-East still awaits rain

Vinson Kurian

Thiruvananthapuram

The monsoon continues to build on a comeback after days of sustained, widespread rainfall erased much of the season's early shortfall. The worst-affected regions, central India and the South Peninsula, are back to a 14 per cent deficit each, well within the India Meteorological Department's 'normal rainfall' range of -19 to +19 per cent.

The recovery is set to broaden as the monsoon pushes into the North-West this week, where the deficit narrowed to 22 per cent on Monday. East and North-

East India remain the lone laggards, with rainfall still 42 per cent below normal. But the region's towering climatological rainfall benchmark, shaped by the Himalayas and the moisture-rich Bay of Bengal, means even substantial rain often leaves it looking more deficient than the rest of the country.

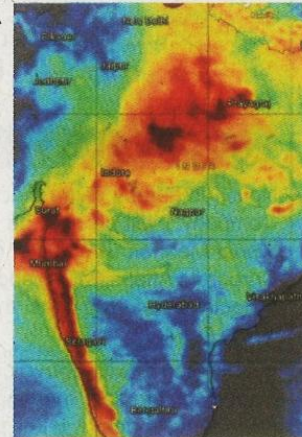
## SYSTEM STALLS AGAIN?

The monsoon, however, seemed to have stalled once again on Monday, delaying the final phase of its advance across the country. Its northern limit passed through Jamnagar, Udaipur, Ajmer, Jhunjhunu, Hisar and Bathinda for the third successive day, according to the

IMD. The conditions are favourable for it to advance into Gujarat, the remaining areas of Haryana and Punjab, and Rajasthan over the next three days. It normally covers the entire country by July 8. This year, it is likely to be delayed by a few days.

## MORE HEAVY RAIN

There is no let-up for parts of the already soaked West and Central India. The IMD predicted heavy to very heavy rain with extremely heavy rainfall over Konkan and Gujarat for another day on Tuesday and over Madhya Maharashtra on Tuesday and Wednesday. Heavy to very heavy rainfall with extremely heavy rainfall, is likely over



The heavy rain belt has shifted towards the Himalayan foothills, sparing Central India

coastal Karnataka on these days. Meanwhile, the depression that crossed the Odisha

coast moved inland and was centred on Monday about 60 km north-northeast of Rourkela. It is expected to track north-west across Jharkhand, north Chhattisgarh and adjoining east Madhya Pradesh until Tuesday, sustaining widespread rain over the region.

The seasonal trough across North-West India, the principal rain-bearing axis that channels moisture from the Bay into the interior, extended on Monday from south-west Rajasthan to the east-central Bay, passing through Madhya Pradesh, north Chhattisgarh and the depression over south Jharkhand and adjoining north interior Odisha. Its

alignment was close to its climatologically favourable position, a configuration typically associated with active monsoon conditions across central and eastern India.

The upper-air shear zone, a corridor of strong wind discontinuity that often enhances deep convection and intense rainfall, stretched from Nashik through Chhatrapati Sambhajnagar and Chandrapur in Maharashtra to the Puri-Bhubaneswar region of Odisha. Along the West Coast, the offshore trough extended almost uninterrupted from south Gujarat to the north Kerala coast. Together, these features continue to support active monsoon conditions.

# Rain paralyses Mumbai, train services hit, road connectivity to Pune cut off

**MONSOON FURY.** Overnight, Mumbai received 100-160 mm of rain, and gusty winds uprooted over 300 trees

## Our Bureaus

Mumbai / Ahmedabad

Heavy rain disrupted normal life in Mumbai and adjoining districts on Monday, prompting the State government to review its anti-flooding measures.

Overnight, Mumbai received 100-160 mm of rain and gusty winds led to the uprooting of around 300 trees in the city. A four-storey structure collapsed in Mankhurd in North East Mumbai killing six persons.

While a holiday was declared for schools and colleges earlier in view of a red alert, State authorities advised private offices to let employees work from home.

Persistent rain though caused water logging in adjoining Palghar district. The Mumbai-Ahmedabad rail corridor was hit due to waterlogging. Road traffic between Mumbai and Pune was disrupted due to a land-

slide on the expressway, which took place near a tunnel of the Pune-Mumbai carriageway of the recently opened missing link.

Chief Minister Devendra Fadnavis reviewed the government's measures against flooding and instructed all officials to remain on alert. As heavy rainfall is expected across the state, he appealed to the citizens not to venture outdoors unless absolutely necessary.

The State Disaster Response Force (SDRF) and the National Disaster Response Force (NDRF) have been placed on alert mode. Fadnavis emphasised that all departments should exercise maximum caution over the next 48 hours to ensure 'zero casualties'.

"Mumbai has recorded rainfall equivalent to its average monthly rainfall within just four days. Such conditions, especially during high tide, can potentially lead to major disaster situations.



**RESTORING A KEY LINK.** Work on to clear the debris on the Pune-Mumbai carriageway of the Khopoli-Kusgaon 'Missing Link' following a landslide due to heavy rain PTI

slide on the expressway, which took place near a tunnel of the Pune-Mumbai carriageway of the recently opened missing link.

However, due to the efforts of the concerned agencies, waterlogging has largely been kept under control," Fadnavis said.

## RAIL DISRUPTION

According to the Ahmedabad division of Western Railway, waterlogging between Safale, Kelve Road, Vasai Road and Nalasopara stations in the Mumbai Central Division impacted operations. The situation was further aggravated by landslides

on the Central Railway network, forcing several long-distance trains to be diverted.

A total of seven train pairs (14 train services) were partially cancelled or short-terminated.

These include the Karnavati Express, Suryanagari Express, Double Decker Express, Ajmer-Dadar Express, Ahmedabad-Mumbai Vande Bharat Express, Ahmedabad-Mumbai Tejas Express and Bhuj-

Dadar Superfast Express, with services originating or terminating at stations such as Valsad, Vapi, Surat, Navsari and Bilimora instead of Mumbai.

In addition, seven trains were regulated en route, including the Ahmedabad-Mumbai Double Decker Express, Ahmedabad-Mumbai Tejas Express, Gujarat Superfast Express, Bhuj-Dadar Superfast Express, Porbandar-Dadar Saurashtra Express, Bikaner-Yesvantpur Express and Hisar-Secunderabad Superfast Express.

Another eight long-distance trains were diverted via alternate routes through Manmad, Jalgaon, Paldhi and Daund due to landslides on the Central Railway network. These include the Ahmedabad-Chennai Express, the Pune-Bhuj Express, the Pune-Ahmedabad Durgam Express, the Chennai-Ahmedabad Express and the Rajkot-Secunderabad Express, among others.

# Hallmark Fabrics expands premium portfolio with micro bamboo cotton range

By Our Special Correspondent

MUMBAI, JULY 06—

Growing consumer preference for premium, sustainable and performance-driven textiles is driving innovation across the textile value chain, particularly in categories such as babywear, innerwear and loungewear where comfort and fabric quality remain key purchase considerations.

Against this backdrop, Hallmark Fabrics has introduced its Micro Bamboo Cotton fabric range, combining ultra-fine Micro Bamboo fibres with advanced fabric engineering to deliver enhanced softness, comfort and hygiene.

Designed for applications including babywear and infant products, children's apparel, ladies' and men's nightwear and loungewear, premium innerwear and muslin fabrics, the range reflects the industry's increasing focus on value-added and sustainable textile solutions. According to the company, the use of ultra-fine Micro Bamboo fibres provides a softer hand feel and an elevated wearing experience while maintaining durability and long-term performance.

Mr. T. A. S. Dhaddabani, Managing Director, Hallmark Fabrics, informed that product innovation begins at the fabric level, with the company focusing on the science behind textiles to develop materials that meet evolving consumer expectations. He said consumers today are placing greater emphasis on comfort, quality and responsible

material choices, particularly in sensitive categories such as babywear, adding that finer fibres play a significant role in enhancing the overall wearing experience.

At the core of the range is Hallmark's proprietary 5F Technology, comprising Fiber Denier Micro, Finer Count Yarn, Fine Gauge Knitting, FUZE Anti-Microbial Technology and Fiber52 Technology. The company said the integrated technology enhances fabric softness, appearance, stability, hygiene, odour control and durability while supporting sustainable textile processing.

Hallmark further stated that its Micro Bamboo Cotton fabrics achieved a cell viability score of 97.92 per cent under the ISO 10993-5:2009 cytotoxicity test, significantly exceeding the internationally accepted non-cytotoxic benchmark of 70 per cent. According to the company, the validation demonstrates the biological safety of the fabric, making it suitable for applications where skin comfort and safety are critical.

Available in 14 premium shades on an order basis, the Micro Bamboo Cotton range is suitable for a wide range of apparel applications, including babywear, children's apparel, premium innerwear, nightwear, loungewear and two-layer muslin fabrics. Hallmark also claims to be the first company in Tamil Nadu to offer Micro Bamboo Cotton fabrics.

## Cotton Incorporated Advances "Plant Not Plastic" Message Thru Month-Long Education Initiative while Concerns Around Microplastics Continue

From Tecoya NewsDesk

MUMBAI, JULY 06—

As awareness of microplastics continues to grow among consumers, brands and retailers, US-based Cotton Incorporated is expanding its efforts this July to educate the textile industry and consumers about the benefits of natural fibers and the role cotton can play in addressing evolving concerns around microplastics and sustainability, reinforcing a plant, not plastic approach to material choice.

Since 2010, Cotton Incorporated has conducted biodegradation research and continues to provide science-based resources that help brands, retailers and manufacturers

navigate evolving conversations around fiber selection, sustainability, circularity and textile waste.

Recent Cotton Incorporated consumer research highlights why these conversations matter. Consumer awareness of microplastics pollution has more than doubled over the last decade, with 41% of U.S. consumers now reporting awareness of the issue, up from 17% in 2017. As awareness grows, purchasing behavior may be shifting as well: nearly six in 10 consumers (59%)<sup>2</sup> say they are likely to look for clothing made with microplastic-free fibers. The findings point to growing interest in fiber

composition and sustainability, creating new opportunities for brands and retailers to align product assortments with evolving consumer expectations.

The industry is also responding with two-thirds (67%) of textile professionals responding to a recent survey, noting their companies are actively taking steps (43%) or plan to take (24%) actions to reduce microplastics pollution.<sup>3</sup>

"Our research shows that consumers are paying closer attention to what products are made from and how those materials align with their values," said Bev Sylvester, chief marketing officer, Cotton Incorporated. "Awareness of

microplastics' pervasive impact continues to grow, and many consumers are actively seeking products made with microplastic-free fibers. The conversation around fiber choice happening at the brand and consumer level reinforces a simple truth: cotton comes from a plant, not plastic. Through research, education and collaboration, we're helping the industry better understand how natural fibers can support both consumer expectations and sustainability goals."

During July, Cotton Incorporated will highlight a series of educational resources and engagement opportunities designed to help the textile

**Continued on Page 3**

## **Cotton Incorporated Advances “Plant Not Plastic” Message**

**Continued from Page 1 Col 6** industry navigate evolving conversations around microplastics, fiber selection and sustainability.

Activities include a new educational video series, expanded resources and findings on CottonWorks™ – Cotton Incorporated’s online resource

hub for textile professionals, along with new consumer insights, webinar learning sessions and targeted digital communications. Programming will also extend to key industry tradeshows (Kingspins New York featuring an interactive “Plastic in the Sea” photobooth, Interfilère in Los Angeles).

Cotton Incorporated will continue consumer education initiatives throughout the month that encourage greater awareness of cotton’s natural fiber benefits, along with the “Plant not Plastic” message. Activities include video content across major streaming and social media platforms, digital content, influencer collaborations, media relations and educational programming including the launch The Science of Style: Clothes and the Environment, a new curriculum developed in partnership with Young Minds Inspired for students in grades 9–12.

Additionally, the Blue Jeans Go Green™ denim recycling program will support awareness efforts through an

extension of its “Monumental Impact” campaign, highlighting the scale of denim recycling and circularity efforts while encouraging participation in the program.

While July provides a timely platform to elevate these discussions, Cotton Incorporated’s work in this area extends throughout the year. Through ongoing research, consumer insights and industry outreach, the organization continues to provide resources that help brands, retailers and manufacturers navigate evolving conversations around sustainability, fiber choice, circularity and end-of-life textile considerations.

#

## **EL Nino to hit India's energy system harder than anywhere else in world: CREA report**

**NEW DELHI, JUL 6 (PTI)**

This year's El Nino will hit India's energy system harder than anywhere else, according to a new analysis by the Centre for Research on Energy and Clean Air (CREA).

El Nino is the recurrent weather pattern that drives up global temperatures.

India faces a dual challenge -- not only will the falling winds and rainfall associated with El Nino cut the country's power generation from turbines and hydropower but the warmer temperatures will also drive up demand for power-hungry air conditioning.

The report said additional cooling demand could total 10 TWh within a year -- the equivalent of a quarter of Delhi's annual electricity use.

The analysis models the impact of the forecast transition from La Nina to El Nino on India's power sector from July 2026 to June 2027.

La Nina is the cold phase of El Nino.

"Combine the lost output from renewables and the increased demand for power, and India could face a generation gap of nearly 18 TWh (terrawatt hour). Currently, the most likely outcome is a surge in coal-fired power, which would release an estimated 17 million tonnes of CO2.

"In the most severe scenario, the extra coal generation reaches 24 TWh, roughly half of India's entire increase in coal burn last

year," the analysis said.

The 2026 El Nino is a foretaste of extreme weather events that are becoming more common in a warming world. With El Nino occurring on a two-to-seven-year cycle, the extent to which India can meet or exceed its solar and storage deployment targets is the key metric for grid resilience.

"India has just endured a deadly heatwave and one of its hottest summers on record, pushing power demand to an all-time high of 270 GW. A super El Nino will raise the stakes again -- putting even more strain on the grid while worsening water shortages and pressure on farming," the report said.

It said India must stay on track for its target of 500 GW of non-fossil power by 2030 but also move much faster on batteries and grid upgrades, so that clean energy can meet future surges in power demand reliably and affordably.

Record demand peaks like the 270 GW set in May are routinely cited to argue the case for new coal capacity. But India's coal-fired power plants are facing serious challenges in keeping up with the energy demand curve and operating with the flexibility the grid requires throughout the day.

As a result of this inflexibility, grid operators curtailed around 2.1 TWh of solar and wind last year just to keep coal plants running.

However, there is an alternate, the analysis pointed out -- solar power.

#

# Indian Cotton Sector in Play

**By Seshadri Ramkumar, Professor, Texas Tech University**

and the need for high-quality cotton imports provides opportunities for cotton exporters.

This has been the case recently since February when the demand for textiles started to increase due to United States Supreme Court ruling on IEEPA as illegal, when Chinese textile exports started to increase. China in turn had to import cotton yarns from India, which put pressure on price and cotton availability. After the surge in demand started settling, the late start of monsoon in India during this Kharif planting season is being considered as a major influencing factor in cotton demand and price.

India started the monsoon season with 42% deficit which in general is not a favorable situation for agriculture. But it may not influence cotton as much as rice, cereals and sugarcane. Farmers in India might switch from high water demanding crops such as pulses and rice to cotton. This possibility needs to be taken into consideration, which will influence pricing and availability.

Indian cotton scenario will determine the global market and futures stated Kaushik Gnanasekar, Research Analyst at Mumbai-based Commtrendz, a commodity research and analysis firm. Late monsoon is being talked about in the agricultural sector, which is hoped to push commodity prices upward, which in general is true. "In the Indian context, greater influence will be on food crops sown in Kharif season such as pulses and sugarcane," added Kaushik Gnanasekar.

It all depends on El Nino which is already reflected in the late start of monsoon this year, stated Gnanasekar Thiagarajan, Director, Commtrendz. Given than monsoon has picked in cotton growing

India's appetite for imported cotton is growing, while cost and need for quality fiber will influence its imports.

China and India are both leading cotton and textile producers, while cotton made-up goods from India is a major exporting item for India.

India's cotton demand depends on macro-economic picture, trade agreements with major importers like United States, EU, and United Kingdom as well as its domestic consumption. In terms of dependency on imported cotton as is the case with China, Vietnam, Bangladesh and Turkey, India needs cotton with high quality primarily for its fine count spinning catering to home textiles and export markets.

India imports about 9% of its total cotton consumption as against 16-17% by China. The need for cost competitive quality cotton gives opportunity for cotton exporting countries like United States, Brazil and Australia to proactively engage with India.

While India's cotton production can feed to its consumption, the need for higher quality and higher realization in spinning necessitates importing cotton. Increase in demand for cotton and shortfall in its production due to weather and insects can impact cotton price and demand.

Aruppukkottai, India-based Jayalakshmi Textiles has been blending about 20% or more of imported cotton to spin fine count yarns. "Lower trash content in imported cotton from United States is a convincing aspect provided they could procure at a competitive price," stated Velmurugan Shanmugam, general manager at Jayalakshmi Textiles, which is a 100% fine count cotton spinning mill. This mill consumes about 4000 bales (170 Kgs) of cotton monthly,

areas such as Karnataka, and Maharashtra, Gnanasekar Thiagarajan predicts that the new crop in Indian (October 2026-September 2027) may be above 320 lakh bales (170 Kgs each). In his conservative estimate, he opined that the cotton crop will be more than last year as against the deficit projection based on monsoon pattern.

Another important influencing factor is the ensuing trade deal between India and United States, which is expected to include procurement of agriculture products at certain quantity levels. This deal will be favorable to cotton as it is not a food crop and will not be affected by non-tariff barriers such as GMO restrictions. Indian cotton crop is 90-95% GMO and hence it makes it convenient to add cotton in the trade equation. Furthermore, Indian spinning industry organizations like The South India Mills' Association demand duty free import of cotton to stay competitive against Bangladesh.

In a recent gathering in Washington, DC, U. S. Ambassador to India Sergio Gor stated that only 1-2% of the deal is yet to be negotiated and the deal should be sealed soon. Cotton is going to be an important player in the trade between the two nations as United States wants to increase total trade from the current level of US\$220 billion to US\$ 500 billion in short-medium term.

Many factors such as a win-win U.S.-India trade deal, India's need for quality cotton particularly for spinning 50s Ne and above, campaigns about environmental friendliness by global cotton organizations like Cotton Incorporated should influence cotton in positive direction.

India is an important market which the global cotton and textile sectors should pay close attention.