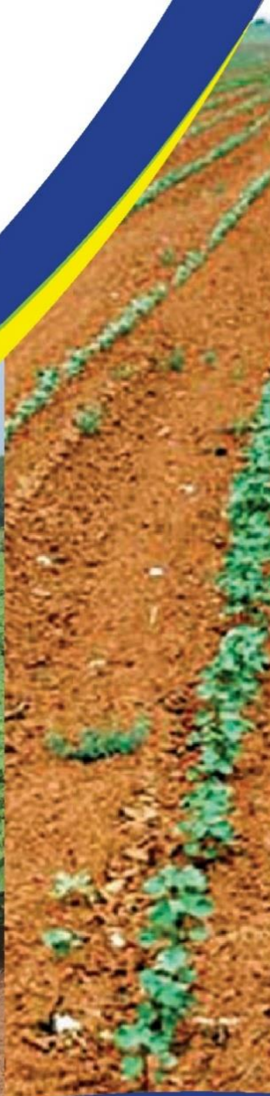
COTTON
ASSOCIATION
OF INDIA

Established 1921

ISO 9001:2015



News Relating to
Cotton and Textile Sector

Date-14-08-2026

COTTON ASSOCIATION OF INDIA

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

Mumbai, Friday 14th August 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	14904	53000	(-300)
2	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	15%	20	13273	47200	(-100)
3	M/M(P)	ICS-104	Fine	23mm	4.5 - 7.0	4%	22	15466	55000	(N.C.)
4	P / H / R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	17687	62900	(-400)
5	M/M(P) /SA/TL/GUJ	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	15466	55000	(-500)
6	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	17575	62500	(-100)
7	P/ H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	18306	65100	(-400)
8	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	19037	67700	(-100)
9	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18784	66800	(-200)
10	GUJ	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18868	67100	(-300)
11	R(L)	ICS-105	Fine	28mm	3.7 – 4.9	4.0%	27	18419	65500	(-300)
12	R(L)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	18981	67500	(-300)
13	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	19318	68700	(-100)
14	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	19009	67600	(-200)
15	GUJ	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	19178	68200	(-300)
16	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	19600	69700	(-100)
17	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	19290	68600	(-200)
18	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	19740	70200	(-200)
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	25308	90000	(+500)
22	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	25589	91000	(+500)
23	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	25870	92000	(+500)
24	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	26152	93000	(+500)

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	
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	

Secretary

ICE Cotton Futures: 13-08-2026

ICE COTTON CLOSE — 13 Aug 2026

CONTRACT MONTH	OPEN	HIGH	LOW	SETTLE	CHANGE	Op. Int.
Cotton (CT) - Quote: Cents/Pound - Contract Size: 50,000 Pounds.						
Oct-26	82.90	82.90	81.49	82.36	▼0.85	156
Dec-26	84.23	84.23	82.60	83.50	▼0.88	1,98,501
Mar-27	86.02	86.11	84.56	85.42	▼0.90	78,389
May-27	87.35	87.35	85.83	86.64	▼0.88	31,063
Jul-27	86.81	86.81	85.49	86.19	▼0.85	17,401
Oct-27	0.00	81.72	81.72	81.72	▼0.37	24
Dec-27	78.75	78.75	78.39	78.56	▼0.43	25,250

Cotlook Index: 13-08-2026

94.95 (UC)

Cotton Rally May Lose Momentum

Thu. 13th Aug 2026, Yash Chouhan (Source: www.smartinfoindia.com)

Will the rally in cotton prices stall? Atul Ganatra outlines the market outlook

In a recent interview with CNBC Awaaz, Mr. Atul Ganatra (CMD, Radha Lakshmi Group) shared key insights regarding the potential direction of the cotton market. He noted that ICE Cotton Futures, which stood at 80–81 cents about ten days ago, have risen to 84–85 cents. During the same period, Indian cotton prices also increased from ₹65,000 to approximately ₹68,000 per candy.

At current rates, the cost of cotton for spinning mills in South India—including delivery charges—works out to around ₹71,000 per candy. Based on this cost, the manufacturing expense for 30s count yarn comes to approximately ₹310–320 per kilogram, whereas mills in Gujarat are selling the same yarn for around ₹295 per kilogram. Consequently, mills purchasing cotton at these high prices could face a loss of ₹15–20 per kilogram.

For this reason, the ongoing rally in cotton prices appears likely to pause. Furthermore, spinning mills are holding record levels of cotton stock this year, with an inventory sufficient for about 150 days. New buying by mills is also expected to remain limited at these elevated price levels.

Mills reportedly held a stock of approximately 85 lakh bales as of July 31. Additionally, the CCI holds 25–26 lakh bales, while traders hold around 25 lakh bales. There is also a possibility of importing about 10 lakh bales. Considering the arrivals of both old and new cotton, stocks are expected to remain adequate by the end of the season.

Ultimately, the direction of the Indian cotton market will depend largely on ICE Cotton Futures, and the domestic market is likely to track the movement of ICE Cotton.

US tariff update keeps pressure on apparel, cotton sourcing costs

Fri. 14th Aug 2026, (Source: www.fibre2fashion.com/news)

Insights
US tariff updates on July 24 leave many locations facing 10 or 12.5 percentage-point additions over MFN rates, adding 10 to 12.5 per cent of customs value to sourcing costs.
Apparel spending rose 1.1 per cent month on month in June and 4.5 per cent year on year.
Higher inflation, energy costs and weaker labour data may pressure demand planning.

The recent US tariff update under Sections 301, as amended, has kept landed-cost pressure on apparel and cotton supply chains, with many sourcing locations now facing additional duties above most- favoured nation (MFN) rates and cotton-dominant apparel import costs remaining above pre-pandemic levels, according to the Cotton Incorporated.

Before the latest change, many locations were subject to tariffs that were ten percentage points higher than the MFN or base rates in effect before 2025. With the new update, many locations now face additions of 10 or 12.5 percentage points on top of MFN rates. Tariffs are currently adding 10 to 12.5 per cent of customs value to sourcing costs.

Cotton Incorporated said in its Executive Cotton Update release that a potentially significant revision in the latest tariff round was the change in legal justification. The latest set of tariffs was justified under Section 301 and replaced tariffs enacted under Section 122.

The Section 122 tariffs were put in place in February after the Supreme Court revoked duties under the International Emergency Economic Powers Act (IEEPA). Section 122 action includes a 150-day time limit before requiring congressional approval, and those tariffs were due to expire when the Section 301 tariffs were implemented, added the release.

Section 301 has previously been used to justify tariff increases, notably on imports of goods from China in 2018 and 2019. Those tariffs have endured administrative reviews and legal challenges, but court cases have already been launched against the legality of the latest Section 301 tariffs.

Alongside tariffs, higher energy costs linked to renewed hostilities around the Persian Gulf can contribute to inflation. Cotton Incorporated said inflation has exceeded wage growth since April, which could eventually weigh on consumer spending. Rising inflation also complicates Federal Reserve decision-making as it balances efforts to slow inflation with support for the labour market.

The US economy is estimated to have lost 23,000 jobs in July, the first monthly decline in payrolls since February 2026, when payrolls fell by 156,000. There were also five months with net job reductions in 2025: January, June, August, October and December. Excluding February and July, the year-to-date average for 2026 was an increase of 121,000 jobs; including those two loss-making months, the average monthly change was an increase of 61,000. In 2025, the average monthly change was an increase of 10,000.

Despite the July job losses, the unemployment rate fell from 4.2 per cent to 4.1 per cent. Cotton Incorporated noted that the unemployment rate is the ratio of unemployed people to the labour force. Since November, the number of people wanting to work has decreased, with the labour force down by nearly 2.5 million from a recent peak of 171.5 million in November to 169.1 million. That reduction has helped keep the unemployment rate lower.

Wage growth was 3.5 per cent in July, similar to the previous three months but below many rates recorded since 2020. With income growth slowing and inflation accelerating, wage growth slipped below overall inflation in April, creating a potential challenge for consumer spending.

The Conference Board’s Consumer Confidence Index decreased by 1.4 points to 90.8 in July, within the 90-100 range that has contained readings over the past twelve months, with recent values concentrated at the lower end. Inflation-adjusted overall consumer spending rose 0.4 per cent month on month in June and 2.5 per cent year on year.

Inflation-adjusted spending on garments increased 1.1 per cent month on month for the second consecutive month in June, while year-on-year apparel spending was 4.5 per cent higher, nearly twice the long-term average.

After ten consecutive month-on-month increases, the consumer price index for apparel decreased in June. However, recent apparel price levels remain the highest since the late 1990s in nominal terms and about five per cent above a year earlier.

The average cost per square metre equivalent (SME) of cotton-dominant apparel increased marginally from $3.69 per SME in May to $3.71 per SME in June on a seasonally adjusted basis. Seasonally adjusted prices have been relatively stable around $3.70 per SME since late 2023, about 12 per cent higher than the roughly $3.30 per SME costs common before the pandemic.

Egypt, India discuss local-currency trade payment, fintech cooperation

Fri. 14th Aug 2026, (Source: www.fibre2fashion.com/news)

Insights
Indian Finance Minister Nirmala Sitharaman recently met her Egyptian counterpart Ahmed Kouchouk on the sidelines of a BRICS meeting in Jaipur and discussed structured cooperation in financial technology and innovation and settlement of bilateral trade in local currencies.
Both discussed a greater role for the New Development Bank in project development and private capital mobilisation.

Indian Finance Minister Nirmala Sitharaman recently met her Egyptian counterpart Ahmed Kouchouk on the sidelines of the BRICS Finance Ministers and Central Bank Governors meeting in Jaipur and discussed structured cooperation in financial technology and innovation and settlement of bilateral trade in local currencies.

Both also discussed the use of emerging technologies in finance, including artificial intelligence for risk assessment and fraud detection, the Indian Finance Ministry said in a post on microblogging platform X.

The two sides discussed a greater role for the New Development Bank (NDB) in project development and private capital mobilisation.

Sitharaman said India sees “considerable scope for closer cooperation with Egypt”, particularly in strengthening the NDB’s role in project development and private capital mobilisation, the ministry said.

The ministers also discussed sharing experiences on public-private partnerships and risk-mitigation mechanisms, potentially opening another area of cooperation between the two countries.

Focus on start-ups, micro, small and medium enterprises and youth and entrepreneurship also featured in the discussions.

ICE cotton lowers on profit booking, loss of momentum

Fri. 14th Aug 2026, (Source: www.fibre2fashion.com/news)

Insights
ICE cotton's December 2026 contract settled at 83.50 cents, down 0.88 cent or 1.04 per cent, after failing to hold above the 85-cent resistance zone.
USDA weekly export sales totalled 130,026 bales, offering moderate demand-side support despite the futures correction.
Weather risks in West Texas, the US cotton belt, Xinjiang and India, tight ICE stocks and China reserve auctions remain supports.

ICE cotton futures lowered yesterday due to profit booking and loss of short-term momentum. US weekly exports sales report provided a moderate demand-side support to cotton despite the future correction. External markets noticed mixed trend as US equities reached fresh highs but grains, energy and metals were generally weaker.

The most active December 2026 contract settled at 83.50 cents down 0.88 cent or 1.04 per cent. The contract marked the third lower close in the last four session and a net decline of 90 points over that four-session period. December is now 75 points below the week's 85.25 cent high, where the market failed to sustain a breakout above the important 85 cent resistance zone.

The entire cotton board closed lower, with active contracts declining 37 to 90 points, making this the weakest session in nearly a month.

Trading volume increased to 56,288 contracts, compared with 55,196 contracts Wednesday, confirming that participation increased as prices moved lower.

The latest USDA Weekly Export Sales Report for the week ended August 6 showed total net sales of 130,026 bales, consisting of 127,315 Upland and 2,711 Pima. The export report provides a moderate demand-side support to cotton despite the futures correction, especially when combined with the previous day's WASDE showing sharply tighter global ending stocks.

Weather remains a significant supply-side risk, particularly in West Texas, the wider US cotton belt, Xinjiang and India. Persistent heat and dryness continue to threaten yield potential during the critical boll-development period.

ICE Certified Stocks remain extremely tight after falling to 80,741 bales on August 11, compared with 82,513 bales previously, keeping nearby deliverable supply supportive even as futures correct.

China's State Reserve programme also continues to provide an important demand floor. The latest available auction data showed 17 consecutive 100 per cent sell outs, with cumulative purchases reaching approximately 136,298 tonnes.

Lower crude oil prices remain a headwind because cheaper energy reduces the production cost of polyester and other synthetic fibres, potentially weakening cotton's price advantage.

Overall, cotton suffered its sharpest decline in nearly a month, driven mainly by profit-taking and fading momentum after the failed 85 cents breakout.

This morning (Indian Standard Time), ICE cotton for December 2026 was traded at 83.71 cents per pound (up 0.21 cent), cash cotton at 78.61 cents (down 0.85 cent), the October 2026 at 82.33 cents (up 0.03 cent), the March 2027 contract at 85.71 cents (up 0.29 cent), the May 2027 contract at 86.84 cents (up 0.20 cent), and the July 2027 contract at 86.41 cents (up 0.22 cent). A few contracts remained at their previous closing levels, with no trading recorded so far today.

Union Minister of Textiles to inaugurate Handloom Haat: The Handloom Experience Centre at Janpath on 14 August

Thu. 13th Aug 2026, (Source: www.pib.gov.in)

Union Minister of Textiles Shri Giriraj Singh will inaugurate Handloom Haat: The Handloom Experience Centre at Janpath, New Delhi, on 14 August 2026, marking a significant step towards creating a distinctive public destination for experiencing, understanding and engaging with India’s rich handloom heritage. The re-envisioned Handloom Haat will bring together heritage, knowledge, contemporary design, enterprise and retail under one roof.

The Handloom Experience Centre has been envisioned as a showcase of India’s handloom ecosystem, where traditional knowledge is not only preserved and interpreted, but actively practised, experienced and taken forward. Visitors will be able to explore the materials, processes, techniques and stories behind handwoven textiles, encounter contemporary expressions of handloom and discover products from weavers and handloom brands.

From Heritage to Contemporary Design

The inaugural showcase will feature 24 award-winning weavers through an exhibition organised by the National Handloom Development Corporation (NHDC), alongside 30+ curated brands participating through Weave The Future 5.0.

The fifth edition of ‘Weave The Future’ showcased in the ground and first floor will bring together weavers, designers, brands, researchers and other stakeholders to advance sustainable, circular and craft-led approaches to textiles. Its showcase at Handloom Haat will feature contemporary products developed through handloom and regenerative materials, with a focus on indigenous fibres, material innovation and responsible textile practices. It will also feature installations exploring India’s indigenous fibre landscape and the relationship between geography, agriculture, ecology and textile production.

The retail experience at Handloom Haat will therefore extend beyond conventional shopping, offering visitors an opportunity to discover the diversity, quality and contemporary relevance of Indian handlooms while creating greater visibility and market access for weavers and handloom enterprises.

A Multi-Layered Handloom Experience

The inauguration will offer guests a curated journey across the three floors of Handloom Haat, highlighting different dimensions of India's handloom ecosystem.

As part of the inaugural experience, a temporary exhibition, on the ground floor, titled "Reimagining Odisha Weaves — Cloth | Craft | Creativity | Community" by Vriksh Designs will showcase how contemporary design can revitalise regional textile traditions through collaboration between designers and master weavers. The exhibition will highlight the revival of lesser-known and forgotten Odisha traditions such as Ganjam Bomkai and Dhalapathar Tapestry, alongside innovations in Ikat, Jaala and Phoda weaving, natural dyes, new colourways, textures, motifs and product forms.

The first floor will centre on the Visvakarma Gallery, a permanent gallery, bringing together rare textiles from the landmark Visvakarma exhibition series (1981–1991), which brought together weavers, designers, scholars and cultural patrons in an exploration of India's diverse handloom traditions. Produced through Weavers' Service Centres in close collaboration with weaving communities, these textiles demonstrate the coming together of technical skill, creative imagination and contemporary inquiry in Post-independent India. This gallery will also pay a tribute to Sant Kabir awardees and Padma Shri awardees, recognising individual practitioners whose exceptional contributions have expanded the practice, understanding and visibility of Indian handlooms.

The second floor will feature Design Conclave and an immersive experience that will take visitors on a visual and sensory journey inspired by India's forests and the rich repertoire of animal, bird, floral and natural motifs found across diverse handloom traditions.

A New Destination for Handloom Excellence, Experience and Enterprise

The re-envisioned Handloom Haat aims to strengthen the visibility and market presence of Indian handlooms while creating opportunities for weavers, designers and handloom enterprises. By bringing together heritage, contemporary practice, retail and public engagement, it seeks to create a closer connection between India's handloom communities and contemporary audiences.

With its integrated approach to Handloom Excellence, Experience and Enterprise, Handloom Haat at Janpath is envisioned as a prominent destination where visitors can encounter the many dimensions of India's handloom traditions- from the people and processes behind the cloth to its contemporary possibilities.

The inauguration on 14 August 2026 will mark the beginning of this new chapter for Handloom Haat, envisioned as “The Handloom Experience Centre”, a space where India’s living textile heritage can be seen, understood, experienced and taken forward.

Shri Shivraj Singh Chouhan Launches CBDC-Based DBT in Chandigarh, Paving the Way for Greater Transparency in PDS

Fri. 14th Aug 2026, (Source: www.pib.gov.in)

From Files to People’s Lives: Shri Shivraj Singh Chouhan Launches CBDC-Based DBT Pilot in Chandigarh

A New Era of Transparent Foodgrain Delivery: Shri Shivraj Singh Chouhan Launches CBDC-Based DBT in Chandigarh

Technology Meets Food Security: Chandigarh Launches CBDC-Based DBT Model for Transparent PDS Delivery

“No Compromise on Farmers’ Interests”: Shri Shivraj Singh Chouhan Says Farmers’ Welfare Remains Paramount in Trade Deals

Union Minister for Agriculture and Farmers’ Welfare and Rural Development Shri Shivraj Singh Chouhan today launched a Central Bank Digital Currency (CBDC)-based Direct Benefit Transfer (DBT) system at an event held at Tagore Theatre in Chandigarh, chaired by Punjab Governor Shri Gulab Chand Kataria. Union Minister for Education, Consumer Affairs, Food and Public Distribution, and New and Renewable Energy Shri Pralhad Joshi and Union Minister of State for Food and Public Distribution Smt. Nimuben Jayantibhai Bambhaniya attended the event as special guests. Shri Chouhan said the initiative marks an important step towards bringing greater transparency, security and timeliness to the Public Distribution System (PDS). He said that under the leadership and guidance of Prime Minister Shri Narendra Modi, there will be no compromise on the interests of farmers and the poor.

A New System for Transparency and Trust

Shri Singh Chouhan said the CBDC-based DBT system will enable payments for ration and foodgrains to reach beneficiaries directly, securely and transparently. The pilot launched in Chandigarh is intended to serve as a model for adoption across the country. Under the new system, technological safeguards have been incorporated to ensure that beneficiaries can use the funds only for purchasing foodgrains and other essential food items, preventing the money from being diverted for other purposes. At the same time, beneficiaries will have greater choice. In addition to wheat and rice, they will be able to opt for pulses or other essential food commodities. Shri Chouhan praised the departmental team and officials for developing the system and described the initiative as a major technological innovation.

Commitment to Farmers' Interests

Shri Chouhan made it clear that there would be no compromise on farmers' interests in matters relating to agricultural policy and food security. He said that all agreements entered into with countries across the world concerning farmers have been guided by the principle that national interest, farmers' interests and public interest remain paramount. "Sadly, the Opposition has a problem even with this," he said. Referring to the country's strong stocks of wheat and rice, Shri Chouhan said India is now capable of meeting its domestic requirements and exporting when necessary. He said that under the Prime Minister's leadership, the transparent delivery of PM-KISAN Samman Nidhi and other benefits will continue, with the protection and welfare of farmers remaining the government's highest priority.

Strong Remarks on Disruptions in Parliament

At the event, Shri Chouhan also strongly criticised disruptions in Parliament and the conduct of the Opposition, stressing that the dignity of democracy must be upheld. He said such disruptions amount to an insult to the Constitution and the democratic process, and that necessary decisions will be taken in the national interest. Shri Chouhan emphasised that debate is essential in a democracy, but disruption is unacceptable.

PM Garib Kalyan Anna Yojana and Social Security

Union Minister Shri Chouhan praised the Pradhan Mantri Garib Kalyan Anna Yojana, saying that providing free foodgrains to more than 800 million people represents one of the country's major social security measures. He said the scheme is not merely about ensuring that people have enough food to eat. It also strengthens the economic position of families by reducing their household expenditure, allowing them to use their savings for children's education and other essential needs. Shri Chouhan said the government's objective is to ensure that no poor person goes hungry and that there is no shortage of food on any household's plate.

Benefits of DBT and New Technological Safeguards

Shri Shivraj Singh Chouhan said DBT has ensured that benefits reach account holders directly, thereby reducing the scope for intermediaries and irregularities. At the same time, he acknowledged that once money is transferred in cash, there can be a risk of it being used for purposes other than those intended. This is why the CBDC-based system has been designed with technological safeguards that ensure the benefit is spent directly on ration and other food items, thereby preventing misuse. He once again commended the department for developing this technological innovation.

Chandigarh to Serve as a Model City

Highlighting Chandigarh's distinctive character and civic consciousness, Shri Chouhan said the experiment launched in the city would, if successful, be gradually expanded across the country. He urged officials to address local challenges and ensure the expansion of the system so that its benefits reach every family. Praising Chandigarh, Shri Chouhan said the city reflects a strong sense of discipline, cleanliness and civic responsibility.

Emotional Appeal

Paying tribute to the freedom fighters, Union Minister Shri Chouhan said citizens should pledge to live for the nation and sincerely discharge their civic duties. He appealed to citizens to participate in the "Har Ghar Tiranga" campaign and said the best way to realise the dreams of the martyrs is to work honestly and contribute to the country's development. Shri Chouhan also appealed to citizens to undertake activities in the interest of the environment, including planting trees.

Government Must Be Visible in People's Lives

Shri Shivraj Singh Chouhan reiterated Prime Minister Shri Narendra Modi's resolve that "the government should not merely be visible in files, but in the lives of the people." He said the Chandigarh programme is a reflection of this approach, where technology and government policies are being used to bring tangible improvements to the everyday lives of ordinary citizens. Shri Chouhan said that under the leadership of Prime Minister Shri Narendra Modi, the government is making every possible effort to serve the people and will achieve even greater goals in the days ahead. These include the "Lakhpati Didi" target, under which the government has resolved to make 60 million rural women financially prosperous by 2029.

Focus on MMF to boost textile exports

Fri. 14th Aug 2026, Yash Chouhan (Source: www.smartinfoindia.com)

Focus on MMF Essential to Boost Textile Exports: NITI Aayog

According to a joint report by NITI Aayog and CRISIL Intelligence, India needs to place greater emphasis on man-made fiber (MMF)-based products to achieve its textile export target of US$100 billion by FY30. Additionally, there is a need for large-scale manufacturing, improved access to global markets, and increased investment in technology and innovation.

The textile sector is one of India's key manufacturing sectors. It contributes approximately 2% to the country's GDP, 11% to manufacturing Gross Value Added (GVA), and nearly 9% to merchandise exports. It employs over 45 million people. In FY25, India exported textile products worth approximately US$37.7 billion, securing the sixth position globally with a 4.1% share of global textile and apparel exports.

According to the report, the global textile market could reach **US$1.78–1.83 trillion** by 2027. Factors such as fast fashion, e-commerce, urbanization, and rising disposable income are expected to drive market growth. The growing demand for sustainable, wrinkle-resistant, quick-drying, and performance-based products is also likely to boost MMF consumption.

NITI Aayog notes that India's cotton-centric strategy is becoming a challenge, as global demand is rapidly shifting towards synthetic fibers. Cotton yarn production fell from 3,962 million kg in FY20 to 3,438 million kg in FY23. In contrast, the production of man-made filament yarn and blended/non-cotton yarn rose to 3,650 million kg.

Raw material costs and import dependency pose significant challenges for the MMF sector. India meets approximately 75% of the demand for PTA and about 65% of the demand for MEG through domestic production. The report suggests reducing the GST on PTA and MEG, as well as lowering or eliminating the 5% customs duty on MEG.

PTA capacity is expected to increase by approximately 5.5 million tonnes annually over the next 2–3 years; this could boost domestic feedstock availability and enhance the competitiveness of the MMF sector.

Register now

COTTON ASSOCIATION OF INDIA
Established 1921
ISO 9001:2015

Cotton Association of India

cordially invites you to

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9th & 10th September 2026

ADVANCE TRAINING PROGRAM

ADVANCE MARKETING TOOLS & COTTON TRADE

11th September 2026

VENUE:

Cotton Association of India, 2nd Floor, Cotton Exchange Building, Cotton Green (East), Mumbai 400033

Register now : www.caionline.in

The Economic Times – 14.08.2026

CURRENCY WATCH

Rupee Holds Steady as RBI Sells Dollars

Our Bureau

Mumbai: The Indian rupee was largely unchanged on Thursday and closed at 95.44, versus its previous close of 95.33, as dollar sales by the RBI kept the local unit in a tight range. Dollar demand from maturing forwards and debt-related outflows added pressure, which was countered by dollar sales from state run banks, traders said. Brent crude oil futures at $87 per barrel added further pressure on the currency.

The rupee traded in a narrow 10 paise range of 95.35 and 95.45, while traders also held off from taking large bets, expecting RBI to intervene. The currency's one month implied volatility, a gauge of future expectations, fell to 4.2%, the lowest since early March, according to Reuters. The rupee is expected to be in the range of 95.25 to 95.75 on Friday, while dealers keep a close watch on RBI intervention.

India Inc June Qtr Revenue Growth Up by 22%: Icra

New Delhi: Aggregate revenues of a sample set of 838 listed companies grew 22% in the June quarter, higher than 13% YoY growth recorded in the March quarter, reflecting earnings resilience of India Inc offsetting weakness in the oil sector.

However, aggregate Operating Profit Margin (OPM) contracted by over 200 basis points (bps) YoY in the first quarter of 2026-27 and net profits were flattish mainly because of the oil-refining sector, where elevated crude prices and under-recoveries on LPG and petroleum products weighed on profitability. Excluding oil & gas, OPM was stable at 19% and net profits grew by over 20% YoY, Icra said.

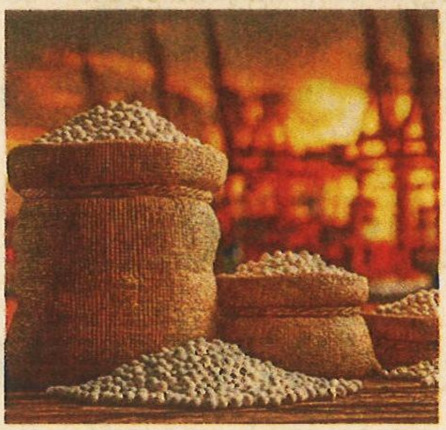
"Icra's review of the results announced so far suggests that India Inc began 2026-27 on a firmer footing than anticipated, with aggregate revenues of Icra's sample set of 838 listed companies growing by 22% YoY in Q1, the rating agency said. —**PTI**

The Economic Times – 14.08.2026

Urea Tender Draws Bids Below Pre-war Prices at $390–431/T

RCF seeks 1.7 MT of the fertiliser, which has attracted offers from 30 entities

Shambhavi Anand



New Delhi: India's latest tender for urea is likely to fetch the most consumed soil nutrient at a much lesser price than the pre-war times, industry executives aware of the matter said.

Rashtriya Chemicals and Fertilizers (RCF), a state-run producer and importer, is seeking to import 1.7 million tonnes of urea, comprising 700,000 tonnes for East Coast India (ECI) and one million tonnes for West Coast India (WCI), with shipment required by 24 September.

It has received bids in the range of $390-431 per tonne from 30 bidders. In its earlier bid in June, the price proposals were in the range of $ 444-605 per tonne. In its first tender after the West Asia crisis, India purchased urea at $959 per tonne. This will be relief to soaring fertiliser subsidy bills expected to cross the budgeted target of ₹1.77 lakh crore and touch even ₹3 lakh crore, according to some estimates. While India has already procured around 40% of its annual imports of urea at double the pre-crisis price, further purchases will come at lower rates.

Urea prices in the global market saw a notable decline in May after the initial surge immediately after the West Asia crisis broke out in February. As prices skyrocketed, several importing countries resisted purchases, switching to cheaper alternatives of nitrogen fertilisers that stabilised the demand for urea.

Urea is the most-used soil nutrient in India, accounting for 45% of fertiliser consumption. It is applied right after planting, around the end of June. India is also the world's largest urea importer and sells it to its farmers at nearly 90% subsidised rates.

The war in the Middle East disrupted supplies of liquified natural gas (LNG), a critical ingredient for domestic manufacturing of urea, reducing production in March, just ahead of the planting season triggering concerns about availability during the peak season.

The government reduced the requirement for urea for the kharif season from 19.4 MT to 19 MT and that for DAP from 6.6 MT to 6 MT in June this year, anticipating lower demand on account of forecast for below-normal rainfall.

The ministry of agriculture also initiated a campaign for spreading awareness amongst farmers to reduce the consumption of bulk fertilisers to help soil health and reduce consumption starting June.

The move comes after Prime Minister Narendra Modi called on farmers to reduce chemical fertiliser use by 50% to improve soil health and curb import dependence amid elevated global prices and concerns over potential supply tightness ahead of the kharif sowing season, which begins in the next few weeks.

businessline – 14.08.2026

Exports hit record $44.24 b in July, but rising imports push trade deficit to a 6-month high

Amiti Sen
New Delhi

Goods exports rose 19.6 per cent year-on-year to a record $44.24 billion in July, while imports increased 17.5 per cent to $76.22 billion, widening the trade deficit by nearly 15 per cent to a six-month high of $31.98 billion, according to data released by the Commerce Department on Thursday.

Higher shipments of petroleum products, electronics and engineering goods were offset by a sharp rise in import of crude oil, electronics, machinery and fertilizers, pushing up the trade deficit.

Exports were partly boosted by higher global commodity prices, especially petroleum, which grew 67.64 per cent to $6.9 billion. Electronics, engineering, chemicals, meat, poultry and iron ore also posted a sharp rise, Commerce Secretary Rajesh Agrawal told reporters.

"Merchandise exports in July registered the highest-ever monthly level at $44.24 billion," he added.

DIVERSIFICATION

July's export growth was marked by greater diversification, with several non-US and non-EU destinations recording strong gains.

Exports to China surged 64.6 per cent to $2.19 billion, while Asean shipments also rose sharply — Singapore up 83.7 per cent to $1.6 billion, Malaysia up 73 per cent to $917 million and Vietnam up 25.48 per cent to $630 million. Exports to South Africa rose 50.1 per cent to $916 million, Tanzania 78.9 per cent to $631 million, Japan 65.3 per cent to $941 million and Sri Lanka 72.5 per cent to $588 million. "The data show diversification is building up in our export supplies. This will give us more resilience," said Agrawal.

Exports to the US rose 12.85 per cent to $9.02 billion, while shipments to the UK declined 4.3 per cent to $1.2 billion.

WEST ASIA CRISIS

The West Asia crisis had a limited impact on exports. Shipments to the region rose 8.62 per cent to $5.7 billion in July after plunging 56 per cent in March to $2.62 billion.

Agrawal said ports in Oman and the UAE were handling cargo diverted from disrupted hubs. On the import side, petroleum was the largest segment, rising 17.6 per cent to $18.31 billion.

Electronic goods imports jumped about 44 per cent to $14.37 billion, machinery and electrical equipment rose 13.8 per cent to $6.09 billion, fertilizer imports increased 55.4 per cent to $2.48 billion and gold imports rose 4.8 per cent to $4.16 billion.

Cumulatively, merchandise exports in April-July rose 17 per cent to $173.78 billion from $148.48 billion in the corresponding previous period, while imports grew 19.3 per cent to $292.38 billion from $245.14 billion.

The trade deficit widened to $118.60 billion from $96.66 billion a year earlier.

businessline – 14.08.2026

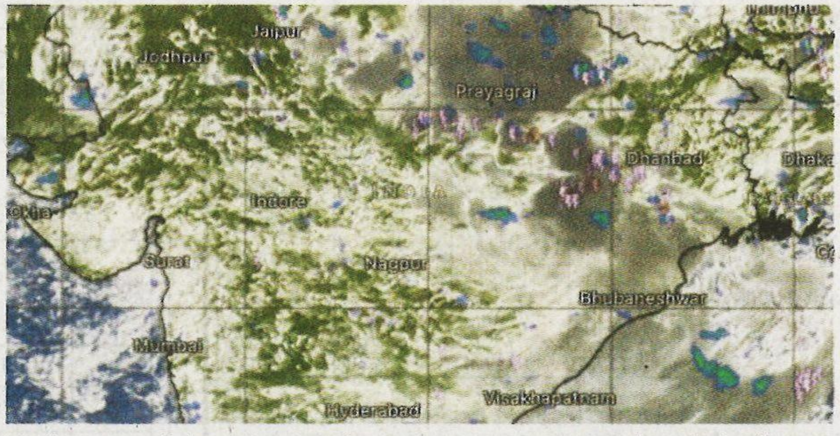
Heavy rainfall to lash West Bengal, Odisha, Chhattisgarh, Jharkhand for 3 days

Vinson Kurian
Thiruvananthapuram

Heavy to very heavy rain, with isolated extremely heavy falls, is set to continue over West Bengal with heavy to very heavy rain forecast for Friday and heavy rain on Saturday, Independence Day, as a fresh low-pressure area over the Bay of Bengal intensified into a depression.

The weather system strengthened into a well-marked low early on Thursday, prompting the India Meteorological Department (IMD) to extend heavy rain alerts across Odisha, Jharkhand and Chhattisgarh. Fishermen were advised to stay off the waters along the Odisha-West Bengal coasts through Friday.

The developing depression is expected to move towards coastal West Bengal and adjoining Bangladesh and the north-west Bay before crossing the plains of West Bengal towards Jharkhand. From Sunday, its remnant circulation could turn north-westward towards the Delhi-Chandigarh-Haryana belt and west Uttar Pradesh, potentially dragging a swathe of heavy rain along its path. Latest IMD numerical model predictions suggest the depression may weaken but stay live over the next 7-10 days over North-East India.



In the rest of the country, the monsoon may remain relatively subdued next week, barring parts of the East Coast

The predecessor low over North-West India weakened, while the new Bay system gained strength, growing into a depression and taking over as the principal rain-maker.

MAY WEAKEN SOON

In the rest of the country, the monsoon may remain relatively subdued next week, barring parts of the East Coast. West India, particularly East Gujarat, Saurashtra and Kutch, could nevertheless get moderate rainfall as the remnant of the earlier low moves into the region and interacts with an incoming western disturbance from the opposite direction (across the Pakistan border).

Despite the evolving swings, the season's rainfall picture remains considerably less alarming than earlier projections suggested. As of Thursday, rainfall has been broadly well distributed across the country.

The countrywide rainfall deficit currently stands at 12 per cent. The principal drag comes from East and North-East India, where the shortfall is 26 per cent, followed by South Peninsula (19 per cent below normal), still within the IMD's 'normal' rainfall range. North-West India, with 11 per cent deficit, and Central India, with a deficit of just 1 per cent, are in considerably better shape.

businessline – 14.08.2026

El Nino threatens agri commodities

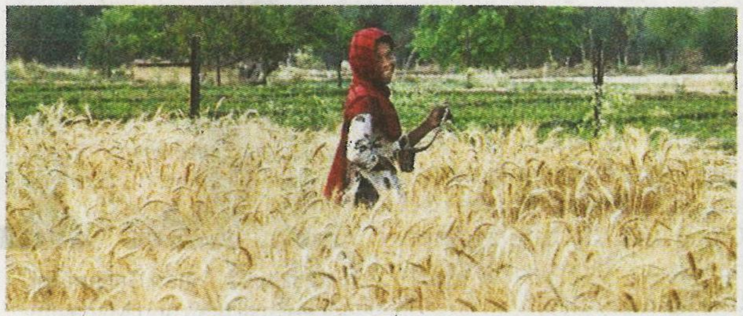
CROP TO CROP. From rice to wheat to cocoa, palm oil, sugar and coffee, impact of the weather event will vary

Subramani Ra Mancombu
Chennai

El Nino's onset last month poses a threat to a range of agricultural commodities, from rice and wheat to cocoa, palm oil, sugar and robusta coffee, across the world. However, the threat will vary from crop to crop rather than impact crops uniformly, analysts said.

"Rice stands out as the clearest channel of concern, given its thinly traded surplus and the concentration of both production and exports in high-sensitivity Asian origins. India's rebuilt stockpiles materially reduce the likelihood of a repeat of the pre-emptive trade restrictions that drove the 2023-24 rally," said research agency BMI, a unit of Fitch Solutions.

India's buffer stocks, rising from 30.1 per cent of consumption in 2023-24 to an estimated 42.2 per cent in 2026-27, materially reduce the likelihood of a repeat of the pre-emptive export restrictions that, more than actual crop losses, drove the 2023-24 rally, said the research agency.



LOWER SENSITIVITY. Corn and wheat face more limited direct exposure globally, with output and trade anchored in low-to-moderate-sensitivity origins SANDEEP SAXENA

F&V FIRMS TO BE HIT

Corn and wheat, by contrast, face more limited direct exposure globally, with output and trade anchored in low-to-moderate-sensitivity origins. This is despite mounting Black Sea disruptions, European drought and easing exporter output, which leave the broader supply picture tightening independently of the El Nino, BMI said.

Dutch multinational financial firm Rabobank said a strengthening El Nino is putting cocoa, palm oil, sugar, robusta coffee and Australian grains under renewed weather-related pressure. These markets would be the most affected due to adverse weather. "For food and beverage companies, the implications are likely to be felt most directly through commodity availability and prices, although the timing and severity of the impact will vary considerably between markets," it said.

UN's Food and Agriculture Organisation (FAO) arm, Agricultural Markets Information System (AMIS), said while the conditions had generally remained favourable so far, weather patterns over the remainder of the growing season will play an important role in determining final production outcomes.

Weather remains a key source of uncertainty. Hot and dry conditions have affected parts of Europe, the Black Sea region and North America during critical stages of crop development, it said. "Given that maize (corn) crops across much of the northern hemisphere are still in yield-determining stages, weather developments over the coming weeks will remain closely watched," said AMIS.

BMI said corn faces the least direct El Niño exposure as its major producers (the US, Brazil and Argentina) sit largely outside high-sensitivity zones.

Rabobank said grains and oilseeds present a more mixed picture. Argentina and parts of North America could benefit from increased rainfall, supporting crops, including corn, soybeans and winter wheat.

BMI said wheat's El Niño risk is contained, but it would compound an already tightening supply picture. "With only Australia among the top five exporters carrying high sensitivity, the greater threats stem from European drought, easing exporter output and renewed Black Sea disruption," it said.

Rabobank said weather will weigh on sugar and coffee markets. "The key risk is not necessarily the current crop in coffee, but flowering for the subsequent 2027/28 harvest," it said.

"Below-average rainfall in Australia, India and South-East Asia could weigh on sugar production, while Thailand faces an additional headwind," said the bank.

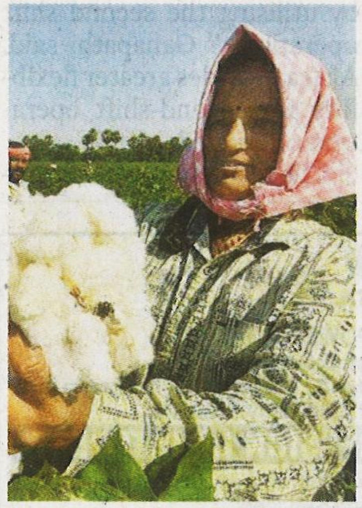
businessline – 14.08.2026

China's yarn demand fuels growth in India's cotton offtake

Vishwanath Kulkarni
Bengaluru

Indian cotton yarn witnessed a robust demand from China with shipments registering a strong growth this year. The USDA, in its latest update on world market and trade, said India's cotton consumption growth is fuelled by cotton yarn demand from China and cotton product demand from developed countries.

"India's cotton yarn exports to all markets rose 8 per cent so far this marketing year as a sharp rise in exports to China was partially offset by a reduction in exports to Bangladesh. India's cotton



yarn exports to China tripled in the first 10 months of the marketing year, and its market share rose from 7 to 21 per cent. China's overall yarn imports increased over the same period, but India's growth far exceeds that of other major suppliers as its exports benefited from a depreciating rupee and falling yarn prices," the USDA said.

BETTER PRICES

Sharad Khemka, Managing Director of SP Yarns in Kolkata, a manufacturer and exporter of yarns, said Chinese purchase of Indian cotton yarn had been significant this year as their local prices are higher. Yarn production is not viable in China due to higher prices.

Even now China is buying Indian yarn, though the recent increase in cotton prices here had posed a challenge, he added.

The Chinese demand for Indian yarn has been mainly for the coarser yarn counts such as 16 and 21s, which are thick threads.

EMERGING SUPPLIER

Khemka said Vietnam had been a competitor for India in supplying to the Chinese market.

Earlier, Pakistan used to supply, but now India has emerged as a major supplier in the category.

Dhiraj Khetan of Sri Salasar Balaji Agrotech in Hyderabad, a spinner and exporter, said the Chinese prefer to buy yarn when compared to raw cotton as the prices are cheaper here.

Meanwhile, cotton prices, which were on a uptrend in the past few days, eased on Thursday around 2 per cent in the ICE market, influencing domestic prices.

"The market is easy as resellers and MNCs are active and have reduced prices by around ₹500 per candy (356 kg). Going ahead the overall demand may ease amidst expectations of the new crop arrivals," said Ramanuj Das Boob, a sourcing agent in Raichur.

Further, the USDA said Indian cotton imports are forecast at a record 4.8 million bales of 480 pounds each in 2025-26 (August 2025-July 2026) and 3 million bales in 2026-27.

businessline – 14.08.2026

Rural credit needs to be reimagined

Our agricultural credit instruments were designed for cultivation, not for today's varied economic life of rural households

PVS Suryakumar

More than 75 years ago, the landmark All India Rural Credit Survey observed that rural credit was "not of the right quantity, not of the right type, did not serve the right purpose and often failed to go to the right people".

Independent India responded with exceptional institutional imagination. New institutions, innovative policies and successive financial inclusion initiatives steadily expanded formal finance to millions of rural households.

Yet, Rural Credit Market Conditions in India Survey (June 2026) shows that among rural households that had borrowed, nearly 57 per cent reported that their incomes had not increased.

So has the next challenge in rural credit shifted from expanding access to improving outcomes?

Societies build institutions to deal with issues confronting them. But as societies change, the issues confronting them also change, necessitating institutional evolution.

RURAL COMPLEXITY

Rural India has changed. It is more aspirational and economically more complex than the rural economy for which many of our institutions were originally designed. The economic well-being of rural households is now shaped by many interacting factors. Credit remains indispensable, but it is only one part of the ecosystem.

A small farm today is rarely just a small farm.

The modern rural household is no longer sustained by a single stream of income, but by a portfolio of livelihoods, and income streams.

A household may cultivate crops, keep a few dairy animals, earn wages outside agriculture, receive remittances from a family member, receive Direct Benefit Transfers, while aspiring to build a small enterprise of its own. For many households, this diversification reflects economic necessity as much as opportunity.

Some months ago, a farmer made an observation that has stayed with me. "The bank gives me credit based on my acreage and the crop I grow," he said. "But I have other needs."

The rural household has become an integrated economic unit. Our institutions, however, continue to engage with different parts of that household economy through specialised functions.

Our principal agricultural credit instruments were designed to finance cultivation, not the increasingly diversified economic life of rural households.

Rural life, however, has quietly evolved beyond the world in which many of them were conceived. Banks, quite naturally, judge success by the reach and quality of credit. Rural households, however, appear to judge the situation differently. Their question is simpler: Has life become better after the loan?

RURAL CREDIT. Building complementarities SRINIVAS KOMMURI

For decades, public policy rightly concentrated on expanding institutional credit. That effort transformed rural finance.

Yet the survey shows that nearly half of rural households report no debt at all, and most say that this was by choice.

The more important question, however, is not why some households avoid credit, but why credit does not do more for those who do borrow.

Sixteen per cent of outstanding rural debt still flows through non-institutional sources, reminding us that access, while transformed, is not yet complete.

Banks mobilise savings, assess creditworthiness, manage risk and allocate capital. They are financial institutions — not enterprise mentors, market advisers, technical specialists or livelihood planners.

The effectiveness of rural credit depends equally on complementary institutions.

Enabling beneficiary identification, updating land records, facilitating the creation of charge, completing statutory formalities and supporting outreach often fall within the responsibilities of State governments. When these functions do not move in step, banks alone cannot complete the task.

The challenge, therefore, is not one of banking alone. It is one of institutional evolution.

Banks finance; extension systems build knowledge; community institutions mobilise people; markets reward enterprise.

Each performs an essential and complementary role.

India's first rural credit revolution answered one of the country's most important development questions: How do we take banking to every village? The next may begin with a quieter one.

Once credit reaches a rural household, who walks with that household until opportunity becomes enterprise, and enterprise becomes prosperity?

The writer is former Deputy Managing Director, Nabard. Views expressed are personal

businessline – 14.08.2026

India-US talks on Russia oil tariff Bill 'reassuring' so far: Sources

POLICY HURDLE. Discussions are on between the countries but uncertainty remains as it is a legislative issue

Amiti Sen
New Delhi

India is in talks with Washington on the US Senate Bill proposing up to 100 per cent tariffs on countries buying Russian oil as its exports could be potentially hit, and the discussions so far have been "reassuring", sources said.

However, uncertainty remains as the measure is a legislative issue and its final impact on India will depend on how the legislation progresses and is implemented, the sources added.

CONCERN PERSISTS

"The Bill is a concern as India could be affected if it becomes a law but our talks with the US have been reassuring. Things seem positive but since it is in the legislative process, no one can say with certainty what will happen," a source tracking the matter told *businessline*.

TARIFF THREAT. The US Senate recently passed legislation that would empower President Donald Trump to impose tariffs of up to 100% on imports from top buyers of Russian oil and gas

The assurances from Washington assume significance as India has continued to purchase Russian crude despite mounting pressure from the US.

The US Senate had recently overwhelmingly passed legislation that would empower President Donald Trump to impose tariffs of up to 100 per cent on imports from top buyers of Russian oil and gas. India, the second-largest buyer of Russian crude after China, could potentially be among the countries affected by the proposed measure.

The sanctions Bill, officially the Lindsey O. Graham Sanctioning Russia and Iran Act of 2026, will not result in immediate penalty.

The Bill still has to clear the US House of Representatives and the final decision on which country to penalise could rest with US President Donald Trump. New Delhi is unlikely to check its crude oil purchases from Russia, its largest oil supplier, because of its long-standing economic (especially defence and oil purchase) and diplomatic ties with Moscow, according to various sources in the government and the industry.

In July 2026, Russia supplied an estimated $7.3 billion of India's total crude imports of $14 billion — equivalent to approximately 52 per cent, according to estimates made by research body Global Trade and Research Initiative (GTRI).

PROTECTION SOUGHT

Meanwhile, India is also seeking protection against any further tariff action as part of the bilateral trade agreement (BTA) being negotiated with the US. The framework agreed by the two sides in February contains a provision that there would be no further increase in tariffs once the pact is sealed, sources said.

Such a provision, if retained in the final agreement, would provide India with greater certainty and protect its exports from subsequent tariff hikes by Washington after the BTA comes into force.

The framework for an interim trade deal was announced on February 7, with the two countries agreeing to work towards an interim trade agreement and substantially expand bilateral trade. Negotiations have since continued, although they face delays following the US Supreme Court verdict invalidating the reciprocal tariffs imposed by the Trump regime.

The on-going Section 301 investigations by the US Trade Representative's office against a number of countries, including India, also contributed to the delay.

businessline – 14.08.2026

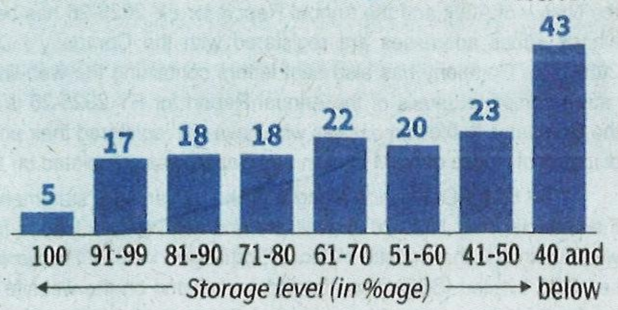
Rising storage

Storage in all the five Indian regions crossed 50 per cent of the capacity this week, though 40 per cent of the 166 major reservoirs are filled below 40 per cent still. The overall level increased to 59.44 per cent of the 183.565 billion cubic metres (BCM) capacity at 109.112 BCM this week, data from the Central Water Commission showed.

Five reservoirs are brimming, while the level in 17 others was over 90 per cent of the capacity. The level in reservoirs continues to surge as the South-West monsoon was mixed last week. Rainfall was deficient in the southern peninsula, but excess or normal in the rest of the country barring eastern Madhya Pradesh. The monsoon deficit has decreased to 12 per cent. A further rise in the reservoirs' level is likely with Odisha, West Bengal, Jharkhand and Chhattisgarh predicted to receive heavy rainfall.

We present the storage situation in the graphics below.

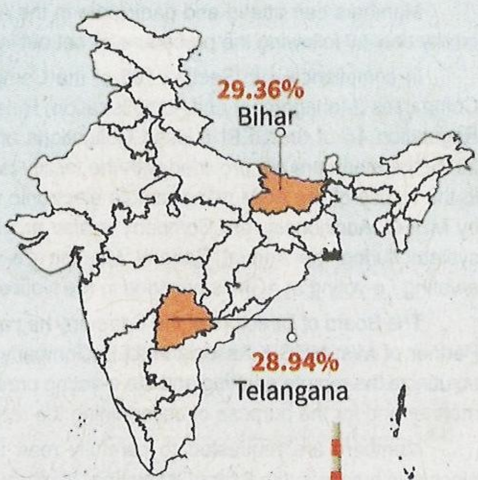
Status of reservoirs

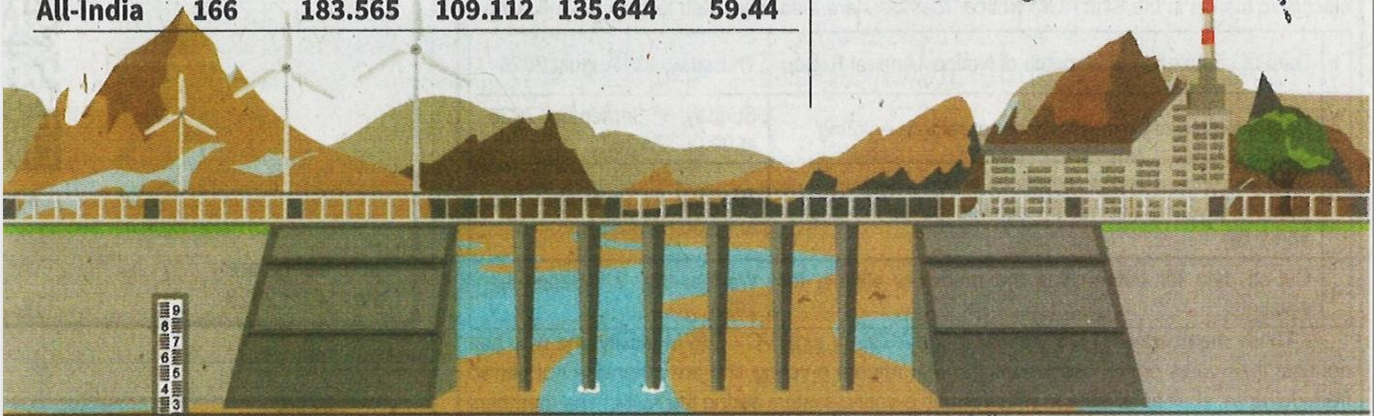


Region-wise storage

Region	Number of reservoirs	Live capacity (in BCM*)	Storage (in BCM)	Storage last year (in BCM)	%age level to capacity
Northern	11	19.836	10.024	14.939	50.53
Eastern	27	21.759	11.061	11.89	50.83
Western	53	38.094	30.011	28.854	78.78
Central	28	48.588	27.7	35.898	57.01
Southern	47	55.288	30.316	44.063	54.83
All-India	**166**	**183.565**	**109.112**	**135.644**	**59.44**

Worrisome States





Shetrunji (Gujarat), Salaulim (Goa), Sapua (Odisha), Bhatghar and Veer Dam (Maharashtra) are full

*Billion cubic metres   Source: Central Water Commission

businessline – 14.08.2026+

Pipavav Port's container volumes hit due to West Asia conflict

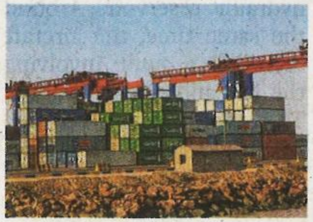
Avinash Nair
Ahmedabad

Gujarat Pipavav Port Ltd expects to lose 70,000-80,000 TEUs in container volumes in FY27 as the Shaheen Express service between Pipavav and Jebel Ali remains suspended amid the continuing West Asia conflict. The company now expects the service to remain suspended for the rest of the financial year, even as a new Maersk service and additional transhipment opportunities help cushion the impact.

"It has been a difficult quarter (Q1 FY27) with the conflict. We have the one service operating between Pipavav and Jebel Ali, which has remained suspended so far (since March 2026). We are now assuming it will remain suspended for the remainder of the financial year. That is a substantial 70,000-80,000 TEUs of volumes we will lose because of Shaheen," Girish Aggarwal, Managing Director of Gujarat Pipavav Port Ltd (GPPL), told investors during an earnings call on Thursday.

Despite the loss of these volumes, the port expects container traffic to grow 4-5 per cent in FY27 to around 700,000 TEUs.

"What has helped is the growth from the new service started towards the end of June. This is a Maersk service. We have also captured some of the multiple opportunities of transhipment that are available proactively and we expect that to stay with us for the next 3-4 months and then we will see how it progresses. So overall the guidance is 4-5 per cent growth on the container volumes for the financial year," he added.



The West Asia conflict, however, continued to weigh on several cargo categories during the June quarter.

Container volumes rose around 3 per cent year-on-year, while Ro-Ro volumes jumped 53 per cent. Dry bulk volumes declined 7 per cent, while liquid cargo fell 47 per cent, with LPG volumes registering a sharp 63 per cent decline.

POSITIVE OUTLOOK

Despite the disruption, the company maintained a positive outlook for the full financial year. It expects overall EBIT to grow 20-24 per cent year-on-year in FY27, with Ro-Ro volumes estimated at 2,60,000-2,70,000 cars, liquid cargo at 1.3-1.4 million tonnes and dry bulk at 2.4-2.6 million tonnes.

Container volumes are expected to increase 4-5 per cent to approximately 7,00,000 TEUs. The company expects the liquid cargo business to recover as supply chains adjust and alternative sources of LPG become available. "LPG has started to come from the US and we expect to catch up during the remainder of the year," Aggarwal said.

businessline – 14.08.2026+

Trump trade enforcers use AI to crack down on tariff dodging

Laura Curtis

The Trump administration is developing an AI-powered "detective border" to crack down on trading partners suspected of enabling China to skirt tariffs on US imports. In a report released Thursday, the White House Office of Trade and Manufacturing Policy accused dozens of countries of being part of China's "shadow transshipment network," sorting them "according to the scale of China-linked trade, the depth of their economic integration with China, and the weak-link advantages that make them susceptible to re-routing activity."

The values of these goods, described as flowing through third countries to evade levies on imports and other trade remedies, are based on analysis from two government and three private-sector sources.

AI supply chain firm Exiger provided a mid-range estimate of $75 billion in illegally transshipped goods between February 2025 and February 2026, which corresponds a loss of tariff revenue between $19 billion and $34 billion.

ILLEGAL TRANSSHIPMENT

More than 40 countries are associated with elevated illegal transshipment risk, the report from White House trade adviser Peter Navarro's office said, and "China's biggest enablers range from Mexico and Canada on US land borders to the European Union, India, Japan, and South Korea."

In addition to China preserving access to the US market counter to US trade policy, "the spoils of illegal transshipment also enrich the transshipping countries themselves," the report said. "Local firms capture assembly fees, warehousing revenue, logistics margins, port charges, customs brokerage income, land rents, and export-processing-zone investment. Governments benefit from jobs, tax receipts, foreign investment, and trade growth."

REVENUE. Leakage due to elevated illegal transshipment ISTOCK

Other named countries include Indonesia, Thailand and Brazil and Malaysia. Still others are noted for comparative advantages that can be exploited, like the cost of labour, strategic port access, lax customs enforcement or free trade zones.

The trend isn't new. When President Donald Trump imposed high tariffs on exports from China in his first term, many businesses responded by diversifying their supply chains, moving some manufacturing outside of China when possible. Upon returning to office, Trump unleashed a wave of country-specific duties with some of the highest rates aimed at US allies and major trading partners. Tens of billions of dollars in tariffs have hit compliant importers especially hard.

The White House's report acknowledges these "tariff differentials" can increase the incentive to illegally transship, but said tools designed to "detect, deter and prevent" tariff evasion are being deployed. Those tools include an AI-powered "detective border" that will scan shipment data against routing histories, confirm production capacity and ownership relationships and even analyse packaging patterns and X-ray imaging at ports to detect mismatches between what's declared and what's actually in a container. BLOOMBERG

businessline – 14.08.2026+

FTAs: Go beyond tariff cuts

Mutual acceptance of testing, certification vital

Anil Jauhri

India is signing Free Trade Agreements at a rapid clip. Industry is upbeat, exporters are hopeful, and the spotlight is firmly on tariff cuts. But in today's world, tariffs are no longer the biggest hurdle to market access. The real barriers are the technical regulations, product standards, and sanitary and phytosanitary (SPS) rules that determine whether a product can even enter a foreign market. Yet this crucial issue barely features in India's FTA conversations.

Every FTA has chapters on Technical Barriers to Trade (TBT) and SPS. But they do not automatically open doors. What helps exporters is sector-specific acceptance of India's regulatory systems, testing, and certification by partner countries.

India has already done this. Under the India-Singapore CECA, it secured mutual acceptance for food, pharmaceuticals, telecom, and electrical and electronic products. This approach should return to the centre of India's FTA strategy.

EFFICIENT SYSTEMS

Several of India's regulatory and certification systems already enjoy international recognition and should be actively advanced in FTA negotiations.

Export Inspection Council (EIC): The European Commission has accepted EIC's seafood certification since 1997. EIC's approvals for other food products have also found acceptance abroad. These are low-hanging fruits for negotiating acceptance with countries like the UK, the US, Canada and New Zealand.

APEDA's Organic Certification: APEDA's National Programme for Organic Production is accepted by the EU and several other countries. This is a ready-made case for FTA partners.

Quality Council of India (QCI) schemes: Schemes such as Ayush Premium Mark, ICMED 13485 Plus for medical devices, and IndiaHACCP are aligned with global norms. These can be positioned for acceptance in FTAs, especially in sectors where India wants to scale exports.

These examples also bust a common myth: India does not need to harmonise domestic standards with global standards before seeking acceptance.

BIS certification under QCOs: Some of the Quality Control Orders under the BIS Act are based on adoption of ISO/IEC standards. These should find acceptance abroad but don't, since BIS certification is unaccredited — a gap that needs to be addressed to serve industry's interest and avoid duplicate testing/certification.

NEGOTIATIONS. Must be done sector by sector ISTOCKPHOTO

Few know that India's accreditation ecosystem ranks among the top ten globally. India now has multiple accreditation bodies — public and private — that have secured international equivalence through the Global Accreditation Cooperation Inc. This means: Indian lab test reports can be accepted abroad; Indian certification bodies can issue globally valid ISO 13485 certificates; and Indian verifiers can be recognised under mechanisms like the EU's CBAM.

But acceptance must be negotiated, sector by sector.

The biggest gains from FTAs will come from mutual acceptance of testing, certification, inspection, and verification. India must also be ready to accept partner-country reports under its own regulations. Reciprocity builds trust and speeds up negotiations. This matters for medical devices, food, pharma, PPE, toys, and even sustainability-linked verification.

India's regulatory strengths vary across sectors. A one-size-fits-all approach won't work. What is needed is a structured strategy that identifies: sectors where India already has globally accepted systems; areas where equivalence can be quickly built; opportunities to leverage accreditation; and domestic regulatory gaps that need fixing. This must run in parallel with FTA negotiations — not after them.

FTAs focused only on tariffs will deliver only half the gains. India must use FTAs to secure recognition of its regulatory systems, certifications, testing, and accreditation capabilities.

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