COTTON ASSOCIATION OF INDIA

Established 1921

ISO 9001:2015

News Relating to Cotton and Textile Sector

Date-28-07-2026

COTTON ASSOCIATION OF INDIA

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Mumbai, Tuesday 28th 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	14904	53000	(N.C.)
2	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	15%	20	12907	45900	(+200)
3	M/M(P)	ICS-104	Fine	23mm	4.5 - 7.0	4%	22	15522	55200	(N.C.)
4	P / H / R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	17125	60900	(N.C.)
5	M/M(P) /SA/TL/GUJ	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	15466	55000	(+200)
6	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	17069	60700	(+100)
7	P/ H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	17828	63400	(+100)
8	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18503	65800	(N.C.)
9	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18390	65400	(N.C.)
10	GUJ	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18447	65600	(+100)
11	R(L)	ICS-105	Fine	28mm	3.7 – 4.9	4.0%	27	17828	63400	(N.C.)
12	R(L)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	18559	66000	(-100)
13	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	18784	66800	(N.C.)
14	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	18615	66200	(N.C.)
15	GUJ	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	18700	66500	(N.C.)
16	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	19009	67600	(N.C.)
17	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	18925	67300	(N.C.)
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	24267	86300	(N.C.)
22	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	24464	87000	(N.C.)
23	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	24858	88400	(N.C.)
24	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	25027	89000	(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

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: 27-07-2026

ICE COTTON CLOSE					27 Jul 2026	
CONTRACT MONTH	OPEN	HIGH	LOW	SETTLE	CHANGE	Op. Int.
Cotton (CT) - Quote: Cents/Pound - Contract Size: 50,000 Pounds.						
Oct-26	78.63	79.52	78.21	79.34	▲0.79	137
Dec-26	79.80	81.12	79.51	80.88	▲0.90	1,97,903
Mar-27	81.75	82.71	81.22	82.47	▲0.83	66,321
May-27	82.64	83.90	82.49	83.69	▲0.84	23,778
Jul-27	82.55	83.69	82.49	83.57	▲0.83	14,406
Oct-27	79.54	79.91	79.54	79.91	▲0.95	6
Dec-27	77.08	77.71	76.83	77.55	▲0.54	21,880

Cotlook Index: 27-07-2026

89.10 (-1.25)

Gujarat Textile Industry Faces Cotton Crisis as Raw Material Costs and US Tariffs Raise Pressure

Mon. 27th July 2026, Jayesh Chouhan (Source: www.smartinfoindia.com)

Cotton Crisis: Pressure from Fields to Ports; Gujarat's Textile Industry Besieged on Multiple Fronts

Gujarat's major textile industry is currently grappling with mounting margin pressures across several levels. The state—which accounts for approximately one-quarter of the country's spinning output and

contributes nearly one-third of its raw cotton production—is under strain due to dwindling cotton availability, poor yields, rising energy costs, and shifting US trade policies.
The impact of these challenges is evident across the ginning, spinning, weaving, and textile processing clusters stretching from Saurashtra to Surat. The issue is not limited to a shortage of raw materials; rising production costs and sluggish demand have further squeezed industry margins.

The area under cotton cultivation in Gujarat has shrunk from 26.79 lakh hectares in the previous season to 23.62 lakh hectares. Faced with an erratic monsoon, rising cultivation costs, and lower returns from cotton, many farmers in Saurashtra and North Gujarat are shifting towards groundnut and other oilseed crops. Additionally, the growing menace of the pink bollworm in Bt cotton has increased both costs and risks for farmers.

According to estimates by the Cotton Association of India (CAI), cotton pressing in Gujarat has dropped to around 76 lakh bales, whereas production in Maharashtra is reported at approximately 85 lakh bales.

Raw cotton prices have surged from ₹54,000 per candy to over ₹66,000 per candy. However, the price of finished fabric has not risen at the same pace as yarn prices. Consequently, producers have been unable to pass the full burden of increased costs on to buyers. Industry bodies in Surat estimate that weaving and processing units have incurred losses ranging from ₹2,500 crore to ₹3,000 crore.

Many units have curtailed production due to weak demand and accumulating inventories. Some mills have reduced production shifts by up to 50%, while others have decided to halt operations for up to two days a week.

Energy costs have further exacerbated the crisis. Mills in Rajkot, Kadi, and Ahmedabad are forced to rely on expensive grid power due to the limited availability of low-cost captive solar and wind energy. Meanwhile, the threat of an additional 10% tariff on Indian textile products—set to take effect under the US trade framework on July 24, 2026—continues to loom. Although India holds an advantage of approximately 2.5 percentage points over certain competing nations, the effective tariff could reach around 15.5% to 16% once MFN duties are factored in.

Industry bodies have urged the government to ensure a steady supply of raw cotton through the CCI, provide tariff relief within the India-US trade agreement, offer temporary relief on industrial electricity rates, and increase interest subsidies.

India's Cotton Sector Enters a New Phase as Import Duty Waiver and Mission Kapas Kranti Drive Policy Shift

Mon. 27th July 2026, Jayesh Chouhan (Source: www.smartinfoindia.com)

India's Cotton Sector Undergoing Transformation Amid Import Duty Waivers and 'Mission Cotton Revolution'

New Delhi: Amidst import duty waivers and the launch of the 'Mission Cotton Revolution,' India's cotton sector is navigating a phase marked by declining production and policy shifts. The government is simultaneously focusing on ensuring adequate raw cotton availability for the textile industry and advancing long-term plans to boost productivity and quality.

Data indicates that the country's cotton production fell from 352.48 lakh bales in 2020-21 to 290.91 lakh bales (provisional) in 2025-26. Shifts in the area under cotton cultivation are considered the primary reason for this decline; anticipating better returns, some farmers have switched from cotton to other, more profitable crops. However, cotton productivity remained relatively stable during this period, hovering between 428 and 451 kilograms per hectare.

Cotton prices have also fluctuated in line with domestic and international market conditions. Recently, international cotton prices rose by approximately 19%, while domestic prices for S-6 cotton saw an increase of around 18%. Raw cotton and cotton yarn are imported as needed to boost domestic availability and meet the requirements of the textile industry.

According to the government, the total availability of cotton in the country—comprising domestic production, carry-over stocks, and imports—is sufficient to meet the estimated consumption needs of the domestic textile industry. The situation regarding cotton availability, consumption, and market trends is being continuously monitored.

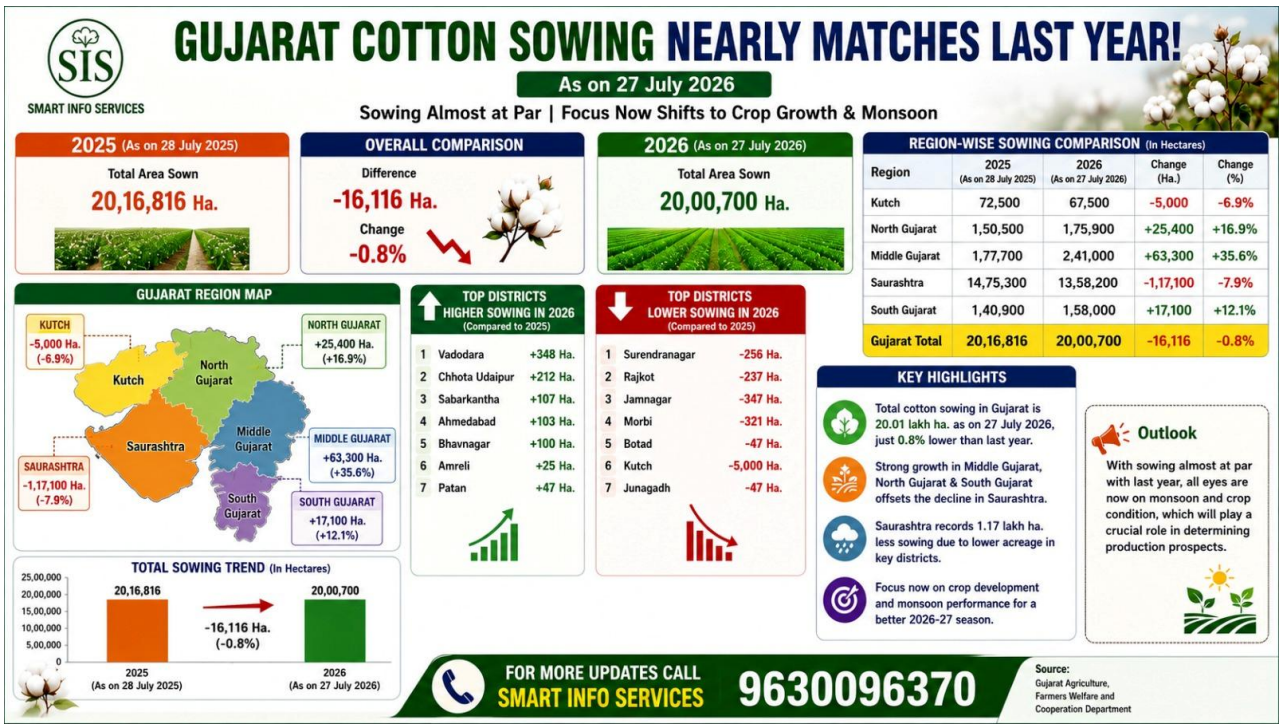
To provide relief to the textile industry, the government has waived the 11% import duty on cotton for the period from June 1, 2026, to October 31, 2026. Additionally, the exemption on import duty for Extra-Long Staple (ELS) cotton (ITC HS Code 52010025) continues, ensuring the availability of high-quality cotton. This exemption has been effective since February 20, 2024.

Furthermore, the government has approved a five-year 'Mission Kapas Kranti' with a budget of ₹5,659.22 crore, aimed at enhancing cotton productivity and improving quality. This mission will be implemented from 2026-27 to 2030-31. Its objective is to make the Indian cotton sector more competitive and sustainable by improving both productivity and quality.

Gujarat Cotton Sowing Nears Last Year's Level

Mon. 27th July 2026, Jayesh Chouhan (Source: www.smartinfoindia.com)

Gujarat Cotton Sowing Nearly Matches Last Year; Gap Narrows to Just 0.8%



Gujarat's cotton sowing has almost caught up with last year's pace, easing concerns over delayed planting earlier in the season. According to the latest data from the Gujarat Agriculture Department, cotton has been sown in 20.01 lakh hectares as of 27 July 2026, compared to 20.17 lakh hectares during the same period last year—a marginal decline of just 16,116 hectares (0.8%).

The biggest drag on overall acreage continues to be Saurashtra, where cotton sowing stands at 13.58 lakh hectares, down from 14.75 lakh hectares last year. Lower acreage in key cotton-growing districts such as Surendranagar, Rajkot, Jamnagar, Morbi and Botad has kept the region behind last year's pace.

However, the shortfall has been largely offset by strong gains in other regions. Middle Gujarat recorded the highest growth, with sowing rising to 2.41 lakh hectares from 1.78 lakh hectares last year. North Gujarat and South Gujarat also registered healthy increases, while districts including Vadodara, Chhota Udaipur, Sabarkantha, Ahmedabad, Bhavnagar and Amreli reported better sowing than a year ago.

With cotton sowing now virtually at par with last year's level, the focus will shift to crop development and monsoon performance, which will play a crucial role in determining Gujarat's cotton production prospects for the 2026-27 season.

Polyester prices rise sharply in India amid Hormuz oil risks

Tue. 27th July 2026, (Source: www.fibre2fashion.com/news)

Insights

- India's polyester chain strengthened as Strait of Hormuz tensions lifted crude oil and petrochemical feedstock costs.
- PTA, PSF and polyester yarn prices rose, while China's PTA and MEG remained volatile.
- Indian buyers stayed cautious and purchased largely on a need basis, as uncertainty persisted over the sustainability of recent price hikes.

Indian polyester raw material and yarn prices moved sharply higher during the previous week as escalating tensions around the Strait of Hormuz pushed crude oil and petrochemical feedstock costs higher. Domestic producers announced successive increases in polyester filament yarn prices, while polyester staple fibre (PSF) prices were also raised amid mounting cost pressure.

Effective July 25, 2026, domestic purified terephthalic acid (PTA) prices increased by ₹6.30 per kg to ₹93.90 (~$0.98) per kg, while monoethylene glycol (MEG) was priced at ₹58.70 (~$0.61) per kg. Melt prices rose by ₹5.42 per kg to ₹100.72 (~$1.05) per kg. PSF prices were also increased by ₹3 per kg with effect from July 25.

Polyester filament yarn manufacturers announced multiple price increases during the week. A prominent manufacturer raised partially oriented yarn (POY) prices by ₹2 per kg across all deniers and lustres on July 22, taking 126/34 semi-dull (SD) to ₹120 (~$1.25) per kg and 120/72 SD to ₹121 (~$1.26) per kg. Another ₹2 per kg increase was announced on July 23, lifting the respective prices to ₹122 (~$1.27) and ₹123 (~$1.28) per kg.

Another major manufacturer increased fully drawn yarn (FDY) prices by ₹5 per kg across bright and semi-dull products with effect from July 23. RIL's POY and polyester textured yarn (PTY) prices were also increased by ₹3 per kg from the same date, while its fine-denier product was priced at ₹121 (~$1.26) per kg.

In China, polyester feedstock prices remained volatile. CFR China PTA was assessed at $820 per tonne on July 20, before falling to $805 on July 21. It subsequently climbed to $825 on July 22, and $840 on July 23, before retreating by $20 to $820 per tonne on July 24. MEG moved from $610 per tonne on July 20 to $602 on July 21, before rising successively to $609, $615 and $631 per tonne over the following three sessions.

The polyester market's strength came amid heightened volatility in global energy and petrochemical markets linked to tensions around the Strait of Hormuz, a critical route for international crude oil and petroleum product shipments. Concerns surrounding energy and feedstock flows increased cost pressure across the Asian petrochemical chain.

The impact was particularly visible in naphtha, a key upstream petrochemical feedstock. CFR Far East Asia naphtha prices surged by $40 per tonne to $851-853 per tonne on July 20. The sharp increase strengthened the cost base for downstream petrochemicals and added upward pressure on polyester raw materials.

Market participants said higher upstream costs prompted Indian producers to revise polyester raw material and yarn prices upwards. However, downstream textile buyers remained cautious, with purchases largely need-based amid uncertainty over the sustainability of the sharp price increases.

Polyester prices are expected to remain sensitive to crude oil movements and developments around the Strait of Hormuz. Continued disruption or heightened risks to energy flows could keep feedstock costs elevated, while an easing of geopolitical tensions and crude oil prices could bring some correction across the polyester value chain.

Weak Monsoon Triggers Crop Losses and Migration Crisis Among Farmers in Karnataka, Andhra Pradesh

Tue. 28th July 2026, Jayesh Chouhan (Source: www.smartinfoindia.com)
Farmers in Karnataka and Andhra Pradesh Face Crisis Due to Weak Monsoon

Kalaburagi/Jogulamba Gadwal: A weak monsoon and a lack of rainfall have compounded the difficulties faced by farmers in the Kalyana Karnataka region and parts of Andhra Pradesh. Crops dependent on rainfall—such as soybeans, pulses, and cotton—are withering due to the absence of rain. With agricultural employment opportunities dwindling, farmers and farm laborers are being forced to migrate to cities like Bengaluru, Hyderabad, and Pune.

Farmers in the Kalaburagi, Ballari, Yadgir, and Raichur districts of Kalyana Karnataka are still awaiting good rainfall. In many areas, the soil in the fields has dried up, and crops are failing. In some places, seeds failed to germinate, while in areas where plants did sprout, they have become weak and are drying up due to a lack of soil moisture.

Water shortages in ponds and reservoirs have further exacerbated the farmers' plight. With insufficient water available for irrigation, many farmers are facing the crisis of having to sow their crops all over again.

According to farmers' organizations, migration this time is not limited to farm laborers alone; small and medium-scale farmers are also leaving their villages in search of employment in cities due to agricultural losses. Many families are settling in other cities while making arrangements for their children's education.

Madhav Reddy, President of the Karnataka Rajya Raitha Sangha-Hasiru Sene, stated that both farmers and farm laborers have been affected by the lack of rain. He urged the government to declare the affected areas drought-hit and provide relief to the farmers.

Sharanabasappa Mamashetti, the Kalaburagi District President of the Karnataka Pranta Raitha Sangha, noted that farmers' crops have been completely destroyed in many areas. He demanded that the government provide free seeds and fertilizers, as many farmers are unable to afford replanting after suffering such heavy losses.

Meanwhile, in Undavalli village of Andhra Pradesh's Jogulamba Gadwal district, a farmer named Razak used a tractor to clear away 10 acres of cotton crops that had been ruined by the lack of rain. He had sown cotton on leased land a month ago, but the lack of rainfall stunted the plants' growth. According to the farmer, he has suffered a loss of approximately ₹1.50 lakh.
The weak monsoon has created a severe financial crisis for farmers in both states. Farmers' organizations are demanding drought relief, assistance with seeds and fertilizers, and immediate measures for the affected farmers from the government.

Cotton Yarn Industry Set for Strong Recovery in FY27, Revenue Growth Seen at 9-11%
Tue. 28th July 2026, Jayesh Chouhan (Source: www.smartinfoindia.com)

Cotton Yarn Industry Poised for Strong Recovery in FY27; Revenue Projected to Rise 9-11%

India's cotton yarn industry is expected to witness a strong recovery in the 2026-27 fiscal year (FY27). After remaining largely flat in FY26, the industry's revenue is projected to grow by 9-11%. This growth will be driven by a 6-8% improvement in yarn realizations and a 2-4% increase in volume. The industry is likely to gain momentum from improved exports and rising demand in export-oriented downstream segments such as readymade garments and home textiles.

According to CRISIL Ratings, the profitability of cotton yarn manufacturers is also expected to improve alongside revenue growth. Operating margins are projected to expand by

150-250 basis points, supported by better cotton-yarn spreads. An analysis of approximately 70 cotton spinning companies within CRISIL Ratings' portfolio indicates that improved earnings will strengthen cash flows and enhance the companies' credit profiles.

Ankush Tyagi, Director at CRISIL Ratings Limited, stated that exports would be a key growth driver for cotton yarn manufacturers in FY27. Export revenue is projected to grow by 12-14%, potentially raising the share of exports in the industry's total revenue to 30-31%, up from around 28% in the previous fiscal year.

Rising demand from key markets like China and Bangladesh is expected to support export growth. A decline in domestic cotton production in China is likely to increase the need for imports. Meanwhile, improved political stability in Bangladesh is expected to lead to a recovery in its readymade garment industry.
The domestic market, which accounts for approximately 70% of the industry's total revenue, is also projected to grow by 7-9% in FY27. Normalization in the US tariff regime and improved offtake in export-oriented downstream segments could support domestic demand.

Despite a 10–15% rise in cotton prices, the cotton-yarn spread could reach ₹108–110 per kilogram in FY2027, driven by robust demand. This is expected to strengthen operating margins to 11–12%.
According to Pranav Shandil, Associate Director at CRISIL Ratings, improved operating profits will bolster cash accruals, aiding companies in funding regular capital expenditure and strengthening their balance sheets. Gearing is projected to remain around 0.55–0.60 times, with interest coverage estimated at 4.25–4.50 times.
However, risks such as the potential impact of El Niño on cotton production, the significant gap between domestic and global cotton prices, and any future tariff revisions will need to be monitored.

ICE cotton closes higher on weaker dollar, technical buying

Tue. 28th July 2026, (Source: www.fibre2fashion.com/news)

Insights

ICE cotton futures rose for a fifth straight session, with the December 2026 contract settling 0.90 cent higher at 80.88 cents per pound as a weaker US dollar, technical buying and strong Chinese reserve purchases supported prices.

Tight certified stocks also aided sentiment, while traders now await the US Federal Reserve, weather and export demand for further direction.

ICE cotton futures closed higher for the fifth consecutive day yesterday, due to a weaker US dollar supported by improving competitiveness of US cotton in the global export market. Recovery was also driven by technical buying after price found support near key levels following the last week's decline.

The most active December 2026 contract settled at 80.88 cents, up 0.90 cent. The contract recovered about 73 per cent of Friday's 123 points decline. The contract posted its fifth higher close in the last 6 sessions, with a net gain of 225 points over that period.

The session recorded a lower higher and lower low than Friday but finished near the day's high, a notable improvement after Friday's weak close near the lows.
Market analysts said last week's sell-off had found support and the market was now testing nearby resistance levels.

Trading activity moderated after Friday's heavy spread-related session, with volume easing to 38,785 contracts from 58,368 on Friday, but remaining close to last week's average, suggesting orderly market participation rather than panic-driven selling.

China's state reserve auction continued to underpin sentiment, recording its sixth consecutive full sell-out. Around 8,022 tonnes were sold on Monday, taking cumulative sales over six sessions to 48,131 tonnes. US cotton accounted for 56 per cent of purchases, followed by Brazil and Xinjiang at 22 per cent each. Continued buying of US cotton at roughly twice the pace of other origins reinforced expectations of tightening deliverable supplies.

The USDA's weekly Crop Progress report showed bolls opening reached 46 per cent for the week ended July 26, compared with 45 per cent a week earlier, but below 55 per cent reported a year ago and the five-year average. Bolls setting advanced to 81 per cent from 73 per cent, while squaring improved to 45 per cent from 32 per cent.

StoneX estimated Brazil's 2026-27 cotton crop at 3.83 million tonnes, about 1.5 per cent lower than the previous season. Although planted area is expected to increase, dry weather in Mato Grosso is likely to weigh on yields.

Market fundamentals remained supportive as ICE certified stocks stayed tight and Chinese reserve buying continued to strengthen nearby supply expectations.

Market participants will closely watch the US Federal Reserve meeting, weather conditions in West Texas, China's reserve auctions and US export demand for further direction this week. Export demand remains the key constraint despite the recent recovery.

This morning (Indian Standard Time), ICE cotton for December 2026 was traded at 80.53 cents per pound (down 0.35 cent), cash cotton at 75.59 cents (up 0.79 cent), the October 2026 contract at 78.80 cents (down 0.54 cent), the March 2027 contract at 82.10 cents (down 0.37 cent), the May 2027 contract at 83.44 cents (down 0.25 cent), and the July 2027 contract at 83.05 cents (down 0.52 cent). A few contracts remained at their previous closing levels, with no trading recorded so far today.

India Cotton Production Declines as Government Steps Up Support for Textile Industry

Tue. 28th July 2026, Jayesh Chouhan (Source: www.smartinfoindia.com)

Downward trend in cotton production; government takes steps in the interest of the industry

India has witnessed a downward trend in cotton production in recent years, primarily due to some farmers shifting to the cultivation of other, more profitable crops.

Domestic cotton production in the country declined from 352.48 lakh bales in the 2020-21 season to 290.91 lakh bales (provisional) in 2025-26. The primary reason for this shift in production is the change in the area under cotton cultivation, as some farmers have adopted alternative, higher-profit crops. However, cotton productivity remained relatively stable during this period, hovering between 428 and 451 kilograms per hectare.

Cotton prices have been influenced by conditions in both domestic and international markets. Recently, international cotton prices rose by approximately 19 percent, while domestic prices for the S-6 cotton variety increased by about 18 percent. Raw cotton and cotton yarn are imported as needed to meet the requirements of the domestic textile industry.

The total availability of cotton in the country—including imports—is sufficient to meet the needs of the domestic textile industry. Estimated production, carry-over stocks, and imports collectively satisfy projected consumption requirements. Cotton availability and market conditions are continuously monitored to ensure timely action can be taken when necessary.

The government has implemented several measures to support the textile industry. These include exempting cotton imports from the 11 percent import duty for the period from June 1, 2026, to October 31, 2026, to ensure adequate availability of raw cotton at competitive prices. Additionally, the import duty exemption on Extra Long Staple (ELS) cotton (ITC HS Code 52010025)—effective from February 20, 2024—has been continued to facilitate the availability of high-quality cotton for the textile industry.

Furthermore, the government has approved a five-year 'Cotton Productivity Mission' (Kapas Kranti) for the period 2026-27 to 2030-31, with a budget of ₹5,659.22 crore, aimed at enhancing cotton productivity and improving quality.

Bangladesh targets production of 1.9 mn cotton bales by 2050

Tue. 28th July 2026, (Source: www.fibre2fashion.com/news)

Insights

- Bangladesh has set a 2050 roadmap to raise cotton lint output to 1.9 million bales, with an interim 500,000-bale target for 2030.
- The plan targets lower import reliance for textile mills and export-oriented garment supply chains that need about 9 million bales a year.
- Farmer incentives, hybrid varieties, more acreage and credit support are central to delivery.

Bangladesh has set a long-range plan to lift domestic cotton lint production to 1.9 million bales by 2050, positioning the crop as a strategic raw material for reducing import dependence across the country's textile and apparel supply chain.

Under the government roadmap, cotton lint output is planned to rise first to 500,000 bales by 2030. As per data from the Cotton Development Board (CDB), Bangladesh's current annual production is more than 224,000 bales, equivalent to about 16-17 per cent of the domestic textile sector's requirement.

The target would be pursued through hybrid cotton varieties, wider cultivation and continuing incentives for farmers. The country has scope to raise output by using suitable land and improving yields through modern farming technologies.

Cotton is now grown on about 45,000 hectares, while nearly 200,000 hectares could potentially be brought under the crop, the CDB data mentioned.

The expansion plan focuses on char lands, the Barind tract of Rajshahi and suitable plain land in hilly areas that are not well suited to food crops. This approach is intended to raise cotton output without affecting food security.

At present, the supply-chain gap remains large. Bangladesh's export-oriented readymade garment industry requires about 9 million bales of raw cotton every year, while the country imports an estimated 7.5-8 million bales annually, and is among the world's largest cotton importers. In fiscal 2025-26, Bangladesh imported about 7.3 million bales of raw cotton at a cost of nearly Tk 450 billion.

Therefore, achieving the 500,000-bale target by 2030 could by itself reduce import dependence and save nearly Tk 8 billion a year in foreign exchange. The government's measures include incentives for cotton growers, bringing farmers into the farmers' card programme and extending credit support through carbon trading initiatives.

Bangladesh currently ranks 40th among cotton-producing countries, while India, China, the US, Pakistan and Brazil dominate global output.In Bangladesh, cotton is generally sown from mid-June and harvested in December. CDB scientists said genetically modified cotton varieties, improved seed technology and better farming practices could significantly increase productivity. They also said more than 32 districts, especially in the southern, western, northern and central regions, have favourable conditions for upland and hill cotton.

COTTON ASSOCIATION OF INDIA

Established 1921

ISO 9001:2015

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CAI Laboratory locations :

(Recognised by BIS)

- **Maharashtra :** Mumbai; Akola; Aurangabad; Jalgaon; Nagpur
- **Gujarat :** Rajkot; Ahmedabad
- **Andhra Pradesh :** Adoni
- **Madhya Pradesh :** Khargone
- **Karnataka :** Hubli
- **Punjab :** Bathinda
- **Telangana:** Warangal; Adilabad

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businessline – 28.07.2026

Mumbai Port mulls new oil jetties, specialised cargo terminals: Angamuthu

G Naga Sridhar
Hyderabad

The Mumbai Port Authority (MbPA) is examining a slew of expansion proposals, including additional crude-oil jetties, petroleum product & chemical berths and facilities. "Based on an internal study on potential areas for expansion, we are examining the feasibility of augmenting our petroleum, oil and lubricants (POL) infrastructure to handle incremental refinery output from BPCL, HPCL and upcoming refinery expansions in Maharashtra," MbPA Chairperson Angamuthu said.

The authority would adopt a collaborative approach with various stakeholders in the proposed expansion.

POL cargo remains the backbone of Mumbai port, accounting for nearly three-fifths of its overall traffic. Vessel-borne crude-oil volumes increased 52 per cent to 26.24 million tonnes in 2025-26 from 17.22 mt in 2011-12. A 10 per cent increase could add about 4.5 mt to the annual throughput.

"Mumbai has tremendous potential to promote LNG bunkering due to its proximity to the maritime route connecting the mid-east to the far-east. Since the propensity for LNG conversion is more visible in container ships and with JNPA in its backyard, Jawahar Dweep is most suited to act as the future LNG bunker hub" Angamuthu said.

MbPA Chairperson M Angamuthu

PORT EYES GROWTH

Mumbai port can handle roll-on/roll-off vessels, and during FY 2025-26, it handled about 0.81 lakh EXIM automobiles.

The port's proximity to the auto major OEMs within the State, as well as road and rail connectivity to the auto-manufacturing clusters of Pune, Chakan and Sanand, offers a locational advantage.

The cargo basket itself is changing in step with the economy it serves. "In a recent roll-on, roll-off call, we discharged 861 heavy-duty electric trucks from the *MV Grande Shanghai* in a single operation, an early and concrete sign that the vehicles, machinery and equipment of the energy transition will increasingly move through our berths. The composition of what we handle is not merely the tonnage, it is being reshaped by where the economy is going," he said.

The port is actively considering creating a storage facility within its docks to accommodate about one lakh automobiles. With auto majors setting up plants at Aurangabad, Mumbai port will be the automatic choice for shipment of their EXIM automobiles.

NEW FOCUS AREAS

The port is also considering setting up 2 mt cement silos to store stocks received by rail for distribution throughout Mumbai.

"Mumbai port has handled an all-time high of 75.15 mt in 2025-26, compared with 53.32 mt in 2020-21. This represents a compound annual growth rate of about 7 per cent over 5 years," Angamuthu said.

businessline – 28.07.2026

Exporters seek govt intervention as W. Asia crisis disrupts shipping

GROWING CONCERN. FIEO flags fewer mother vessel calls, surging freight costs; carriers roll out new surcharges

Amiti Sen
New Delhi

Escalating shipping disruptions triggered by the continuing crisis in West Asia have prompted Indian exporters to seek urgent government intervention, amid warnings that soaring freight rates, fewer direct calls by mother vessels at Indian ports and increasing dependence on foreign transhipment hubs are hurting India's export competitiveness.

In a letter last week to Union Ports, Shipping and Waterways Minister Sarbananda Sonowal, the Federation of Indian Export Organisations (FIEO) sought an urgent meeting with the Ministry to discuss immediate and long-term measures to address the disruptions.

TRADE TURBULENCE. The continuous rise in freight charges is taking place as shipping lines are rerouting services and adjusting capacity in response to security concerns in the Red Sea region PTI

KEY DEMANDS

"We want to take up with the Shipping Ministry the escalation in shipping related problems being faced by exporters and look for some solutions," FIEO DG Ajay Sahai told *businessline*.

Key demands include rationalisation and greater transparency in freight and contingency charges, restoration of more direct mother vessel calls at Indian ports, measures to ensure adequate vessel capacity and schedule reliability, and the creation of contingency mechanisms to minimise disruptions during future geopolitical crises.

"The concerns have been reinforced by continued freight hikes by global shipping lines, the latest being French carrier CMA CGM's announcement of a fresh Peak Season Surcharge (PSS) effective August 15 on cargo originating from India, Pakistan, Sri Lanka, the Middle East Gulf and Red Sea ports and bound for the US East Coast, Gulf Coast and inland destinations," Sahai said.

FRESH SURCHARGES

The surcharge has been fixed at $5,000 per container across major categories.

In its letter, FIEO highlighted that the West Asia crisis had disrupted shipping networks, resulting in fewer direct calls by mainline vessels at Indian ports and forcing a larger share of export cargo to be routed through overseas transhipment hubs such as Colombo, Singapore and Jebel Ali.

The increased reliance on feeder services has increased transit time, cargo handling costs and overall logistics expenses, while irregular sailing schedules and container shortages have added to uncertainty.

The continuous rise in freight charges is taking place as shipping lines are rerouting services and adjusting capacity in response to security concerns in the Red Sea region.

"These developments are particularly concerning at a time when India is pursuing an ambitious export growth strategy and has set its sights on achieving merchandise and services exports of $2 trillion by 2032. Reliable, predictable and cost-efficient maritime connectivity is indispensable for achieving this national objective," the letter noted.

FIEO also urged the government to work with shipping lines and port authorities to restore direct mainline connectivity, improve schedule reliability and strengthen India's maritime resilience against future geopolitical disruptions.

It said timely intervention would help contain logistics costs and safeguard the competitiveness of Indian exports.

businessline – 28.07.2026

To cut import dependence on urea, Govt allows ammonia for farming

AGRI BOOST. If successful, India will be the fourth country after the US, Canada and Australia to use it directly

Prabhudatta Mishra
New Delhi

Amid high demand and limited availability of urea, which contains 46 per cent nitrogen (N), the government has allowed ammonia, containing 82 per cent N, for agricultural use. However, the country will have to establish the infrastructure for the delivery and application of the gas, as it needs to be injected into the soil.

Industry sources said if successful, India will be the fourth country, after the US, Canada and Australia, to use ammonia directly in farming.

According to a notification published on July 23, the Union Agriculture Ministry said "anhydrous ammonia" fertilizer, containing a minimum of 82 per cent nitrogen by weight, is allowed to be manufactured by any unit for a period of three years from the date of the gazette notification, under clause 20A of the Fertilizer (Inorganic, Organic or Mixed) (Control) Order, 1985.

LAST MILE. The country has a long way to go in building infra needed to deliver and inject ammonia directly into fields

SULPHUR-COATED UREA

"Permitting the use is good as it is the first step. However, implementing it is the key challenge due to the risks involved, particularly the possibility of gas leaks," said a top official of a urea manufacturing company.

Citing the example of sulphur-coated urea, he explained how there is hardly any actual use for the fertilizer though it was given regulatory clearance for manufacturing and sales.

"Nowhere in the world is sulphur coated in prilled urea (the subsidised nitrogen product in India) as it is not suitable. Only in granular urea, sulphur can be coated, and there is hardly any manufacturing of it in India," he said. Industry sources said urea plants generate 2,000 to 6,000 tonnes of surplus ammonia every year, which cannot be diverted for urea production due to capacity limitations. As a result, they sell it. The government has mandated that these ammonia sales be prioritised for complex fertilizer units.

In July 2025, *businessline* had reported ACME Cleantech Solutions' application seeking approval of the Indian Council of Agricultural Research for a collaborative pilot programme to validate the use of "anhydrous and aqueous ammonia, backed with green ammonia" as an efficient, environmentally friendly alternative fertilizer. As the approval missed the kharif 2025 season, anhydrous and aqueous ammonia were said to be put to trial in 13 ICAR institutions during the rabi 2025-26 season. Sources indicated that the trial was supposed to last for three seasons, but the approval by ICAR was fast-tracked to facilitate manufacturing so that in the next kharif season, at least some areas could be covered under a pilot scheme.

An investment of ₹13,000-₹15,000 crore is needed to set up a green ammonia plant of 1,200 tonnes per day capacity. Sources said a field trial at an ICAR institute during rabi 2026 to evaluate the performance of green ammonia in direct-seeded rice showed higher biomass and greenness in some cases when compared with the application of normal urea.

However, in some plots, there was non-uniform growth due to non-uniformity of NH_3 application, which potentially requires standardisation of the injection methodology.

businessline – 28.07.2026

With a comeback, monsoon may upend forecasts of July fade-out

Vinson Kurian
Thiruvananthapuram

The monsoon may go to upend forecasts of a July fade-out, staging an emphatic comeback on the back of a relentless succession of Bay of Bengal low-pressure systems, almost recreating the season's peak wet spell earlier this month.

The signs of revival came on Monday when a low-pressure area over the north-west Bay of Bengal intensified within two to three days into a deep depression, a rarity during the season and just one rung below a tropical cyclone. The strengthening flies in the face of expectations that a building El Nino would sap the monsoon's vigour through July.

RENEWED BURST

The renewed burst of activity sharply improved the national rainfall picture. Cumulative rainfall across India until Sunday stood at a deficit of 15 per cent, with Central India almost back to normal at minus 3 per cent and North-West India at minus 8 per cent. East and North-East India improved to a deficit of 29 per cent, matching that of the South Peninsula.

According to India Meteorological Department norms, rainfall between 19 per cent above normal and 19 per cent below normal is classified as "normal". But the resurgent monsoon triggered floods and related havoc in Assam. The Assam State Disaster Management Authority said the floods had caused devastation, resulting in 68 casualties and over 6.5 lakh people affected.

ECMWF forecasts very heavy to extreme rain over north-west India, especially north Gujarat, till weekend

On Monday morning, the deep depression lay over the north-west Bay and the adjoining West Bengal-north Odisha coast, about 30 km south of Sagar Island, 110 km south-southwest of Canning and 120 km east-southeast of Balasore.

The IMD said the system would move north-northwest and cross the coast between Balasore and Canning by Monday afternoon before moving inland.

Such an intense monsoon depression is unusual because a strong vertical wind shear normally prevents monsoon systems from growing beyond ordinary depressions. The shear tilts and disrupts the storm's vertical structure, shearing off its convective towers before they can mature into stronger systems.

The monsoon trough stretched from Bikaner through Gwalior, Varanasi and Jamshedpur to the centre of the deep depression before dipping into the north-east Bay. An upper-air cyclonic circulation persisted over south-west Rajasthan, helping anchor the monsoon flow. At the same time, a secondary trough linked it with a circulation around the deep depression across Madhya Pradesh, Chhattisgarh and Jharkhand.

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With 71% of kharif area covered, sowing deficit shrinks below 5%

Kharif sowing*

	2025	2026	% change
Paddy	240.62	234.43	-2.6
Pulses	91.46	84.57	-7.5
Shri Anna cum coarse cereals	161.49	142.21	-11.9
Oilseeds	167	163.54	-2.1
Cotton	102.71	98.72	-3.9
All crops	**826.19**	**787.38**	**-4.7**

Source: Agriculture Ministry

*(*Area as of July 24; in lakh hectare)*

Prabhudatta Mishra
New Delhi

With over 3 lakh hectares (lh) more sown in the past week compared to the same period a year ago, farmers have reduced the kharif acreage deficit to less than 5 per cent, down from a high of 21 per cent as of July 5.

Agriculture scientists are hopeful of avoiding any major negative impact on overall crops despite the emergence of El Nino, as over 71 per cent of sowing has been completed. However, rainfall in the next two months will need to be closely monitored as it is crucial for crop growth.

The sowing area in the ongoing kharif season has reached 787.38 lh as of July 24 compared with 826.19 lh in the year-ago period, down by 4.7 per cent, the Agriculture Ministry said in its weekly update on Monday.

As many as 129.19 lh was covered under kharif sowing during the July 18-24 period against only 125.72 lh a year ago.

MADHYA PRADESH AREA DOWN SHARPLY

The kharif season's main cereal paddy is down by 2.6 per cent at 234.43 lh against 240.62 lh a year ago.

Official sources said paddy acreage in top grower Uttar Pradesh is 4 per cent higher at 57.8 lh from 55.46 lh, Punjab at 31.66 lh from 31.56 lh, Bihar at 17.58 lh from 12.89 lh, Assam at 11.68 lh from 6.76 lh and Andhra Pradesh at 4.74 lh from 4.46 lh.

Madhya Pradesh reported a major dip in paddy area at 19.54 lh from 27.39 lh and Maharashtra at 4.9 lh from 8.59 lh, whereas other States with lower areas included Chhattisgarh (-0.9 lh), West Bengal (-0.9 lh), Haryana (-1.2 lh), Telangana (-0.5 lh) and Odisha (-1.6 lh).

The area under all pulses reached 84.57 lakh hectares (lh) compared to 91.46 lakh hectares, and that of oilseeds reached 147.09 lakh hectares compared to 155.72 lakh hectares. The deficit in pulses has declined to 7.5 per cent from 23 per cent as of July 10, and in oilseeds, it has decreased to 2 per cent from 21 per cent during the same period.

Among pulses, arhar sowing reached 31.17 lh, down 12 per cent from 35.27 lh, moong (green gram) at 26.89 lh from 28.39 lh and urad (black gram) rose to 18.67 lh from 17.27 lh.

In oilseeds, soybean is down to 113.65 lh from 117.24 lh, and groundnut to 40.2 lh from 40.77 lh. Cotton acreage is now 4 per cent lower at 98.72 lh from 102.71 lh

The coverage of nutri/coarse cereals has been reported to be 12 per cent lower. The area under jowar reached 11.07 lh, down from 12.45 lh a year ago, while bajra decreased to 49.54 lh, ragi dropped to 1.56 lh and maize fell to 77.79 lh.

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Farm R&D drove a third of India's agricultural output rise in 2025: ICAR

SANJEEB MUKHERJEE
New Delhi, 27 July

Agriculture research and development (R&D) contributed a third of the total value of output increase — estimated at ₹1.7 trillion — between 2024 and 2025, a recent presentation by the Indian Council for Agricultural Research (ICAR) showed. In absolute terms, that works out to about ₹50,000 crore, the presentation said.

The contribution has been in the form of higher-yielding seed, better mechanisation, and improved germplasm for horticulture crops, among other initiatives, a presentation made by ICAR Director General M L Jat during the 98th Foundation Day of the institute showed.

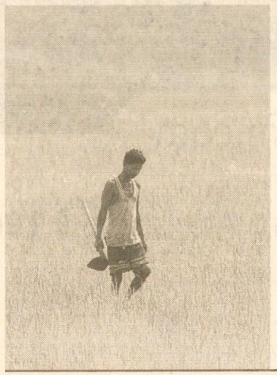
"The figure was arrived at by totalling the value of output rise for each sector, including fisheries and livestock, and then estimating the contribution of new seeds, species, varieties, machines, etc within them," Jat told *Business Standard*.

The data also found that production in the crops sector rose by around 19 million tonnes (mt) in that period, with an economic value or value of output ₹ 60,000 crore.

Similarly, production of horticulture crops rose by 7 mt in the same period, with an estimated value of ₹20,000 crore, while the economic value of the increase in livestock production was estimated at ₹50,000 crore. Livestock production, as described in the report, includes milk, meat, and eggs but not fisheries.

Fisheries production, which is among the fastest-growing sub-sectors of Indian agriculture, rose by 1.4 mt (both inland and sea fish) from 18.40 mt in 2024 to 19.77 mt in 2025, generating additional economic value to the tune of around ₹40,000 crore, the presentation showed.

"Therefore, the total increased production across sectors generated economic value totalling ₹170,000 crore as per our calculations of which around ₹55,000 crore or a third was attributed to research and development that included mechanisation, extension activities, natural resource management etc while the remaining third was contributed by development programmes and schemes, and the final third by farmers' own labour," Jat said.



By the numbers

- ₹1.7 trn: Increase in value of agricultural output between 2024 and 2025
- ₹55,000 cr: Estimated contribution of agricultural R&D to output growth
- 19 mt: Rise in crop production, with value of output of around ₹60,000 crore
- 7 mt: Increase in horticulture production, valued at about ₹20,000 crore
- 1.4 mt: Increase in fisheries production, generating around ₹40,000 crore
- 365: Research-backed crop varieties released by ICAR in 2025
- 120,000 quintals: Science-backed breeder seed production target for 2025-26
- ₹9,266 cr: FY27 allocation for agricultural research and education
- ₹13.85: Return estimated on every ₹1 invested in agricultural research
- 44x: FY27 food, fertiliser and fuel subsidy bill exceeds agricultural research allocation

According to him, ₹1.7 trillion represents only the value of the additional output produced in one year over the previous year's production, rather than the value of total agricultural production.

For ICAR's analysis of the factors responsible for this increase, the total gain was broadly divided into three equal components: research and technology, government policies and development programmes, and farmers' efforts. However, Jat noted that the differentiation is an informed estimate rather than an exact measure.

Research and technology, he said, deserves at least one-third of the credit because higher investment or greater farmer effort alone would not deliver comparable productivity gains without improved technologies. Research also encompasses the knowledge generated and disseminated through ICAR and its network of institutions.

Based on this framework, ICAR estimated that agricultural research and technology contributed roughly ₹55,000 crores to the additional value of agricultural output generated in 2025-26. Jat clarified that the figure is indicative and could reasonably vary, but is basically intended to illustrate the economic returns from public agricultural research.

"The objective was to convey the scale of the contribution made by research. Without research and technology, these production gains would not have been possible," he said.

Jat noted that while production increases are credited to development departments and government schemes, the economic contribution of research often remains under-recognised. Research achievements are usually reported in terms of the number of new crop varieties or technologies developed, but the impact of those innovations on production and farm output is rarely quantified. To remedy this shortcoming, ICAR decided to express research outcomes in economic terms to highlight their contribution to total value.

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