COTTON ASSOCIATION OF INDIA

Established 1921

ISO 9001:2015

News Relating to Cotton and Textile Sector

Date-11-08-2026

COTTON ASSOCIATION OF INDIA

(Regd. Office : Cotton Exchange Building, 2nd Floor, Cotton Green (E), Mumbai 400 033)
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Mumbai, Tuesday 11th 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	(N.C.)
2	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	15%	20	13329	47400	(+200)
3	M/M(P)	ICS-104	Fine	23mm	4.5 - 7.0	4%	22	15466	55000	(+500)
4	P / H / R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	17687	62900	(N.C.)
5	M/M(P) /SA/TL/GUJ	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	15747	56000	(N.C.)
6	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	17603	62600	(+200)
7	P/ H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	18278	65000	(N.C.)
8	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	19065	67800	(+300)
9	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18897	67200	(+400)
10	GUJ	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18925	67300	(+300)
11	R(L)	ICS-105	Fine	28mm	3.7 – 4.9	4.0%	27	18419	65500	(N.C.)
12	R(L)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	19009	67600	(N.C.)
13	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	19346	68800	(+300)
14	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	19122	68000	(+400)
15	GUJ	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	19234	68400	(+300)
16	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	19628	69800	(+200)
17	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	19403	69000	(+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	25167	89500	(N.C.)
22	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	25449	90500	(N.C.)
23	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	25730	91500	(N.C.)
24	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	26011	92500	(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	Secretary
2	P/H/R(U) ICS-202 (SG) rate is lower by Rs. 1000/ pc than Sr. no. 4	
3	Strength:Grams per tex (HVI Mode) (Prorate basis)	
	a) 1 gpt pts lower Rs 500/pc	
	b) 2 gpt pts lower Rs 1,000/pc	
	c) 3 gpt pts lower Rs 2,000/pc	
	d) 4 gpt pts lower Rs 3,000/pc	
4	Staple length : Upper Half Mean Length	
5	Gravimetric Trash Percentage	
6	Moisture by probe method maximum 9%	
7	Base Grade 'Fine' of bulk of the cotton of the staple length range of 29mm to 32mm consists of –	
	(i) Colour grade 31/3 (ii) RD 75	
8	In Rates acceptable up to a maximum 5.50 Micronaire with proportionate discount @ Rs.150/- per point per candy over 4.9 Micronaire	
9	For M/M(P)/SA/TL/GUJ-Sr No. 5 are for 67 Rd	
10	For Northern Zone (P/H/R(U)-Sr. Nos. 4 and 7 are for 70 Rd	
11	For M/M(P)/SA/TL-Sr Nos. 6, 8, 9, and GUJ-Sr No.10 are for 74 Rd	
12	For R(L)-Sr. No. 11 is for 72 Rd and 12 is for 73 Rd	
13	For M/M(P) and K/TN-Sr Nos. 21 to 24 are for 70-72 Rd	

ICE Cotton Futures: 10-08-2026

ICE COTTON CLOSE					10 Aug 2026	
CONTRACT MONTH	OPEN	HIGH	LOW	SETTLE	CHANGE	Op. Int.
Cotton (CT) - Quote: Cents/Pound - Contract Size: 50,000 Pounds.						
Oct-26	83.24	83.36	82.56	82.72	▼0.50	162
Dec-26	84.12	84.82	83.68	83.86	▼0.54	1,98,764
Mar-27	86.13	86.60	85.46	85.72	▼0.46	73,418
May-27	87.26	87.70	86.59	86.91	▼0.40	28,332
Jul-27	86.87	87.29	86.22	86.54	▼0.37	16,152
Oct-27	0.00	81.98	81.98	81.98	▼0.32	24
Dec-27	79.01	79.29	78.40	78.78	▼0.35	25,743

Cotlook Index: 10-08-2026

94.95 (1.25)

Centre Spends ₹69,860 Crore on Cotton
Tue. 8th Aug 2026, by yash chouhan (Source: https://www.smartinfoindia.com)

Centre Spent ₹69,860 Crore on Cotton Procurement in Telangana: Kishan Reddy

Hyderabad: Union Minister for Coal and Mines G. Kishan Reddy stated on the occasion of National Handloom Day that the Central Government has spent over ₹69,860 crore on procuring cotton from farmers in Telangana under the Minimum Support Price (MSP) mechanism.

Kishan Reddy said that the PM MITRA Mega Textile Park being developed in Warangal will integrate traditional textile techniques with modern machinery and technology. This will boost the textile and handloom sectors in the state and create new employment opportunities.

He noted that the Modi government is advancing the '5F' vision for the textile sector alongside the 'Make in India' initiative. This vision emphasizes the journey from Farm to Fibre, Fibre to Factory, Factory to Fashion, and Fashion to Foreign markets. The objective is to strengthen the textile value chain from the farm to the global market. Kishan Reddy mentioned that incentives worth approximately ₹9 lakh crore are being provided for the sector's development up to 2030.

According to the Minister, initiatives such as the PLI scheme, PM MITRA Park, National Handloom Development Program, Raw Material Supply Scheme, and Mudra Yojana are being implemented to support weavers. Through these schemes, assistance is being provided in areas including modern looms, raw materials, worksheds, design development, marketing, credit, and social security.

He stated that the use of technologies like Artificial Intelligence, automation, and advanced analytics is being increased in the handloom and textile sectors. This will help improve productivity, quality, and market access. Kishan Reddy noted that this sector provides direct and indirect employment to approximately five crore people.

Ramchandra Rao Extends Greetings to Weavers

Telangana BJP President N. Ramchandra Rao extended his best wishes to weavers, artisans, and their families on National Handloom Day. He stated that regions such as Narayanpet, Kothakota, Gadwal, Pochampally, and Sircilla are renowned both within the country and abroad for their distinctive handloom traditions. He urged people to purchase and wear handloom products.

Organizational Meeting

An organizational meeting of the Telangana BJP also took place at the party's headquarters in New Delhi. Several senior leaders attended the meeting, including National President Nitin Nabin, Kishan Reddy, N. Ramchandra Rao, Union Minister of State for Home Affairs Bandi Sanjay Kumar, and K. Laxman. Telangana in-charge Abhay Patil and State General Secretary (Organization) Chandrashekhar Tiwari were also present.

CCI Cotton Sales Cross 90 Lakh Bales

Tue. 10th Aug 2026, by yash chouhan (Source: https://www.smartinfoindia.com)

STATE	NO. OF BALES
MAHARASHTRA	28,22,400
TELANGANA	22,34,600
GUJARAT	16,51,600
KARNATAKA	7,08,600
MADHYA PRADESH	5,64,400
RAJASTHAN	3,22,200
ODISHA	2,69,500
ANDHRA PRADESH	2,41,500
HARYANA	1,77,200
PUNJAB	44,500
WEST BENGAL	300
TOTAL	90,36,800

State-wise CCI Cotton Sales Details – 2025-26 Season

The Cotton Corporation of India (CCI) Increased its cotton candy prices by upto ₹700 per candy during this week . CCI has sold approximately 90,36,800 cotton bales for the 2025-26 season. Sales are highly concentrated in a few major cotton-producing states, Maharashtra, Telangana and Gujarat emerging as the leading contributors.

Australian Cotton Gains Global Edge

Tue. 10th Aug 2026, by yash chouhan (Source: https://www.smartinfoindia.com)

Small but Mighty: How Australian Cotton is Achieving New Goals
Although Australia produces only a small fraction of the world's total cotton, it holds a formidable global reputation for quality.

In an era where agricultural innovation and strategic thinking are essential, Australia produces some of the world's finest cotton.

Superior varieties, favorable natural conditions, farmer expertise, and strong demand have all played pivotal roles in this success.

James Barlow, a Nutrien customer and cotton farmer from Gunnedah, has been growing cotton for the past decade. According to him, cotton integrates seamlessly into his irrigation system; it offers healthy profit margins and provides beneficial weed control. Thanks to double-cropping practices, he can grow a winter crop alongside cotton within the same year.

A warm, dry autumn in 2026 created near-ideal conditions for cotton picking. According to the Australian Cotton Shippers Association, average yields reached approximately 12–14 bales per hectare, with quality remaining consistently high across all regions. Fiber length and strength were also excellent.

The identity of Australian cotton extends beyond just quality; the industry has long prioritized sustainability and efficient water use. In 1991, it became the first sector in Australian agriculture to undergo an independent assessment of its environmental impact.

Today, every cotton bale bears a unique barcode, enabling full traceability of its origin and production area.

Potential shortages in global supply, rising synthetic fiber prices, and the growing demand for sustainable products are creating new opportunities for Australian cotton.

India MSME ministry, DPIIT join hands to expand GI market access

Tue. 11th Aug 2026, (Source: www.fibre2fashion.com/news)

Insights

- India's MSME ministry and DPIIT signed an MoU in New Delhi to commercialise, standardise and expand market access for GI products.
- The framework targets artisans, weavers and producer collectives seeking scalable, export-ready channels.
- Joint work will link authorised GI users to ONDC and GeM under a 'Bharat GI' banner and support GI pavilions at trade events.

India's Ministry of Micro, Small and Medium Enterprises (MSME) and the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, have signed a Memorandum of Understanding (MoU) to accelerate the commercialisation, quality standardisation and market access of Indian Geographical Indication (GI) products.

Under the joint initiatives, the two organisations will work to integrate One District One Product (ODOP) into programme design and interventions. They will also facilitate onboarding of GI collectives and authorised users onto the Open Network for Digital Commerce (ONDC) and

Government e-Marketplace (GeM) under a dedicated 'Bharat GI' banner, the Ministry of Micro,Small & Medium Enterprises said in a press release.

The MoU was signed recently at Vanijya Bhawan, New Delhi, by Md. Salik Parwaiz, director, Ministry of MSME, and Karan Thapar, director, IPR Division, DPIIT, in the presence of senior officials from both organisations. The framework is aimed at helping GI products move from localised crafts into scalable, commercially viable and export-ready enterprises.

The collaboration also covers co-sponsoring dedicated GI pavilions at national and international trade expos, buyer-seller meets and exhibitions for domestic and global marketing of GI products. For artisan, weaver and producer collectives, the stated focus is on capacity building, digital enablement and stronger access to premium domestic and international markets.

The MoU aligns DPIIT's mandate for intellectual property protection with the Ministry of MSME's enterprise-development role. It is also expected to strengthen India's GI ecosystem and support the wider Aatmanirbhar Bharat and Vocal for Local vision.

DPIIT is the nodal department for registration and legal protection of GIs in India under the Geographical Indications of Goods (Registration and Protection) Act, 1999, while the Ministry of MSME steers the growth, financial health and development of micro, small and medium enterprises, traditional industries and artisans across the country.

ICE cotton ends lower on profit taking, stronger US dollar

Tue. 11th Aug 2026, (Source: www.fibre2fashion.com/news)

Insights

- ICE December 2026 cotton settled at 83.86 cents, down 0.54 cent, after a 487-point gain in seven sessions.
- Trading volume fell to 46,070 contracts, while open interest rose 3,575 to 343,058, signalling fresh positions despite lower prices.

US crop good ratings slipped to 40 per cent; West Texas weather, India monsoon, China's State Reserve buying and tight ICE stocks support cotton.

ICE cotton futures declined yesterday because of profit booking and consolidation after exceptionally strong rally in the last week. It was first broad-based decline since July 29, marking a normal corrective session after the recent sharp rally. Additionally, stronger US dollar also put pressure on US cotton prices.

The most active December 2026 contract settled at 83.86 cents down 0.54 cent. The contract had gained 487 points in the last seven sessions. Whilst other active contracts declined 32 to 50 points.

The market had seen very limited downside during the preceding seven sessions. Monday therefore looked more like profit-taking and consolidation than a confirmed trend reversal.

Trading volume totalled 46,070 contracts, down from 52,325 contracts Friday and below last week's average of 53,591 contracts, suggesting the decline was not accompanied by panic liquidation. Open Interest increased 3,575 contracts to 343,058, marking the 6th consecutive daily increase. OI has now risen 21,330 contracts in six sessions, an important signal because fresh positions continued entering the market even as prices declined.

The US Dollar strengthened modestly, putting some pressure on US cotton export competitiveness. The market had benefited from a weaker dollar during the previous week's rally, so the currency reversal provided an additional reason for profit-taking.

Although, USDA's August crop-condition data showed the US cotton crop continuing to deteriorate. As of August 9, the percentage rated good fell to 40 per cent, from 42 per cent the previous week and 53 per cent last year. Excellent-rated cotton increased to 10 per cent, compared with 4 per cent the previous week and 5 per cent last year, but the broader Good-to-Excellent picture remains weaker than last year, highlighting continued crop-quality concerns.

The combination of declining Good ratings and persistent weather risk continues to provide underlying support to cotton even during the correction.

West Texas weather remains a key market concern, with traders monitoring continued heat and dryness during the critical boll-development period. Weather-related production risks have not disappeared despite the recent price correction.

India's monsoon situation also remains important, with rainfall reported below normal in several cotton-growing areas and the outlook continuing to influence expectations for Indian production.

China's State Reserve buying remains a major underlying demand factor after a record run of consecutive fully sold auctions, helping keep nearby physical cotton supported even as futures correct.

ICE certified stocks remain extremely tight, reinforcing the market's underlying deliverable-supply story and limiting the potential for a deep correction unless demand or weather fundamentals deteriorate materially.

Technically, the market is still in a strong medium-term uptrend, but Monday's close near the lows after the recent 800 plus point rally is an early warning that momentum has cooled.

Overall, Monday's decline looks like a corrective/profit-taking session rather than a confirmed bearish reversal. The most important bullish signal is that Open Interest continued rising despite the lower price, whilst the main bearish signal is the close near the lows. After an extraordinary 802-point six-week rally, some consolidation was overdue. The key test now is whether buyers return above 83 cent or whether the market sees 2–3 consecutive sessions of follow-through selling.

This morning (Indian Standard Time), ICE cotton for December 2026 was traded at 83.46 cents per pound (down 0.40 cent), cash cotton at 78.97 cents (down 0.50 cent), the October 2026 at 82.72 cents (down 0.50 cent), the March 2027 contract at 85.33 cents (down 0.39 cent), the May 2027 contract at 86.62 cents (down 0.29 cent), and the July 2027 contract at 86.21 cents (down 0.33 cent). A few contracts remained at their previous closing levels, with no trading recorded so far today.

China Cotton Yarn Demand Remains Weak

Tue. 11th Aug 2026, by yash chouhan (Source: https://www.smartinfoindia.com)

Off-season impact persists; cotton yarn demand remains weak

The pure cotton yarn market in China remained under off-season pressure last week. Trading activity was limited due to weak downstream demand, and prices for major yarn varieties saw no significant changes. As of August 7, the reference ex-factory spot price for 21S ring-spun pure cotton yarn in Shandong stood at 23,300 RMB/tonne, while 32S yarn was priced at 24,675 RMB/tonne; both prices remained stable compared to the previous week.

Despite fluctuations in domestic cotton prices, most textile mills kept yarn prices steady and focused on reducing inventory. Amid rising raw material costs, mills exercised caution in purchasing, buying primarily on an as-needed basis. The price for 32S pure cotton ring-spun yarn was 23,500 RMB/tonne in Xinjiang and 23,600 RMB/tonne in China's inland regions.

Weakness was also observed in the downstream weaving industry. Capacity utilization dropped to approximately 72% in Jiangsu, Zhejiang, and Shandong, while in Foshan, Guangdong, it temporarily fell to 20%. Procurement of grey fabric was largely limited to small, urgent orders.
Limited adjustments in cotton and yarn prices increased pressure on spinning mill margins. As of August 6, spinning margins stood at -391.93 RMB/tonne in Xinjiang, while in China's inland regions, they fell to -1,753.13 RMB/tonne. High inventory levels and weak sales intensified operational pressure on companies, particularly regarding medium- and high-count yarns.

The market is currently receiving mixed signals. Concerns that high temperatures in Xinjiang might impact the boll-setting stage of the new cotton crop have provided support to prices. On the other hand, the continued sale of government reserve cotton has alleviated supply-related concerns. The likelihood of a sharp rise in cotton yarn prices in the near term is limited due to weak global end-demand, a slow recovery in export orders, and a lack of improvement in the domestic market. Prices are expected to remain range-bound with a weak undertone.

Cotton Prices Rise on Strong Demand

Tue. 11th Aug 2026, by yash chouhan (Source: https://www.smartinfoindia.com)

Cotton Prices Surge in India Driven by Global Signals and Strong Demand

Cotton prices in India continue to rise, fueled by strength in global markets and growing domestic demand. On Monday, citing limited stocks and robust buying by spinning mills, the Cotton Corporation of India (CCI) raised cotton prices by ₹700 per candy (356 kg). Over the past two weeks, CCI prices have seen a cumulative increase of approximately ₹1,400 per candy.

According to Ramanuj Das Boob, a sourcing agent based in Raichur, sowing has been affected by the delayed monsoon, raising concerns that the arrival of the new crop will also be delayed. This is putting pressure on existing stocks. Activity in the resale market has also intensified due to strong demand. Prices for pressed bale cotton are hovering around ₹67,500–68,500 per candy, while quotes from resellers and multinational companies are running about ₹1,000 higher than CCI rates.

CCI sales remain robust. Approximately 2 lakh bales were sold last week, while sales on Monday were estimated at around 70,000 bales. To date, total CCI sales are estimated at around 91.5 lakh bales, with unsold stock standing at approximately 14 lakh bales.
By last Friday, the cotton acreage in the country had crossed 106 lakh hectares. Acreage increased in Gujarat, Telangana, Madhya Pradesh, Andhra Pradesh, Tamil Nadu, and Odisha, while declines were recorded in Maharashtra, Karnataka, and Rajasthan.

Indian cotton is also receiving support from the international market. December cotton futures on the ICE are trading around 84 cents per pound. A weaker dollar, weather-related concerns in key US cotton-producing regions, a potential reduction in global stocks, and improved demand have bolstered the market.
According to experts, cotton consumption has strengthened due to rising yarn demand in both domestic and export markets and increased production of coarse-count yarn. By the end of September, India's closing stock could drop to around 75–80 lakh bales.

Union Agriculture Minister Shri Shivraj Singh Chouhan launches National Scholarship Portal

Tue.11th Aug 2026 (Source: www.pib.gov.in)

Scholarships worth Rs 21.35 crore released to over 6,000 agriculture students through NSP-DBT by Shri Shivraj Singh Chouhan
Union Minister stresses on practical training, timely assistance and agricultural innovation

“Examination, admission and payment - all must happen on time; that is the real test of any system”: Shri Shivraj Singh Chouhan

“Agriculture is not just about classrooms; practical training is essential for developing real skills”: Shri Shivraj Singh

“Fields, farmers and science together strengthen the country’s food security and self-reliance”: Shri Shivraj Singh Chouhan

“Agriculture, food security, nutrition and farmers’ income security remain priorities under Prime Minister Narendra Modi”: Shri Shivraj Singh

Shri Shivraj Singh Chouhan appeals to agriculture students to undertake plantation drives at ICAR institutions across the country on ‘Hariyali Amavasya’

Posted On: 11 AUG 2026 12:01PM by PIB Delhi

Union Minister for Agriculture and Farmers' Welfare, and Rural Development, Shri Shivraj Singh Chouhan on Monday released scholarship and fellowship funds for agriculture students from across the country through the National Scholarship Portal (NSP) at ICAR-IARI, Pusa. Under this initiative, a total amount of Rs 21.35 crore was released directly through Direct Benefit Transfer (DBT) to more than 6,000 students. With the introduction of this new initiative, agriculture students will now receive their scholarship amounts every month through DBT without facing unnecessary difficulties or delays. The initiative is aimed at making the process of scholarship disbursement more streamlined and ensuring that students receive financial assistance in a timely and hassle-free manner.

On the occasion, Union Agriculture Minister Shri Shivraj Singh Chouhan said that a scholarship is not merely financial assistance, but also a means of making agricultural education stronger, more practical and better connected with opportunities. He said that with the DBT system now in place, students would receive assistance on time and the problem of traditional delays would be eliminated. Addressing the students, Shri Shivraj Singh Chouhan emphasised that practical training is extremely important in agricultural education, because classroom-based learning alone cannot produce good farmers, scientists or agricultural entrepreneurs. He stressed that students need opportunities to gain practical experience and understand the realities of agriculture beyond the classroom. He also appealed to students to share their suggestions and ideas for improvement so that the education and training system can be continuously strengthened. He said that the purpose of agricultural education should be not only to impart knowledge but also to equip young people with the practical skills, confidence and understanding required to contribute effectively to the agriculture sector.

Shri Chouhan also said that under the leadership and guidance of Prime Minister Shri Narendra Modi, the government is giving priority to food security, nutrition and farmers' income security in the agriculture sector. Appreciating the contribution of ICAR (Indian Council of Agricultural Research) scientists, he said that their research, along with the hard work of farmers, has strengthened the country's foodgrain reserves and contributed significantly to India's agricultural progress. He urged young people to set larger goals along with building their careers and encouraged them to do something meaningful for the country. Union Minister Shri Chouhan said that agriculture students should not limit themselves only to seeking employment, but should also take a leading role in innovation, start-ups and research. He encouraged the younger generation to look at agriculture as a field offering a wide range of opportunities and to contribute towards finding new solutions to emerging challenges. He underlined the importance of young agricultural professionals and students in taking forward scientific advancement, entrepreneurship and innovation in the sector.

Shri Shivraj Singh Chouhan said that the NSP-DBT system would make scholarship distribution more transparent, faster and seamless. The system would ensure that students receive financial assistance on time, enabling them to concentrate more effectively on their education without being burdened by uncertainty regarding the release of scholarship funds. The Union Minister emphasised the need to create an education system that prepares students not only with academic knowledge but also with practical capabilities and an understanding of the changing requirements of agriculture.

Shri Chouhan also appealed to agriculture students at ICAR institutions across the country to undertake plantation activities on the occasion of 'Hariyali Amavasya'. He said that green initiatives are part of a collective responsibility towards both agriculture and the environment, and encouraged students to actively participate in plantation activities and contribute to strengthening awareness and responsibility towards the environment.

Union Minister of State for Agriculture and Farmers' Welfare Shri Bhagirath Choudhary, ICAR Director General Dr. M.L. Jat, ICAR Secretary Shri Gyanendra Tripathi, Deputy Director General Dr. Yashpal Singh Malik and IARI Director Dr. C. Srinivasa Rao were present at the programme. Senior officials, scientists and students from ICAR and IARI attended the event in large numbers, while thousands of students also joined the programme online.

CAI in Service of Nation

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

ISO17025:2017 (NABL) accredited CAI labs at : Mumbai, Jalgaon, Adoni & Warangal

Cotton Testing Laboratories

Maintain Indian Cotton Grade Standards

Indian Cotton Spot Rates

Arbitration Conciliation and Meditation Mechanism

Cotton Research and Development

Issue Certificate of Origin

Indian Cotton Statistics

Publications

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

Business Standard – 11.10.2026

FCNR(B) flows pour into 5-yr G-secs

Foreign lenders with relatively small loan books emerge most active buyers; bond yields soften

ANJALI KUMARI
Mumbai, 10 August

The five-year government bond has emerged as an outperformer since June as commercial banks, particularly foreign lenders, deploy the liquidity generated by the mobilisation of foreign currency non-resident (bank), or FCNR(B), deposits under the Reserve Bank of India's (RBI's) concessional swap window.

Foreign banks, which do not have the same scale of retail and corporate lending books as domestic lenders to absorb the inflows at the pace they are arriving, have been among the most active buyers of three- to five-year government securities, pushing yields lower at the shorter end of the curve.

The five-year bond yield has fallen more sharply than the 10-year benchmark since June 1, widening the spread between the two from 19 basis points to as much as 46 basis points last week. The spread stood at 41 basis points on Monday. Similarly, the spread between the benchmark yield and the 3-year bond yield widened to 57 basis points on Monday, against 45 basis point on June 1.

The move reflects both the surge in banking-system liquidity and banks' preference to deploy it in shorter-duration assets rather than take on significant duration risk.

"The increase in short-term bond demand has been reflected in the yield curve, with the five-year segment seeing a sharper decline than the 10-year benchmark. The 10-year yield has remained comparatively stable as banks have preferred to limit duration risk while deploying the additional rupee liquidity," said a dealer at a primary dealership.

Foreign banks had mobilised more than $8 billion of FCNR(B) deposits by the end of July, with HSBC alone accounting for more than $6 billion. Market participants said these lenders were directing a substantial portion of the funds towards government bonds because their retail and corporate loan books were not large enough — vis à vis domestic banks — to absorb the liquidity.

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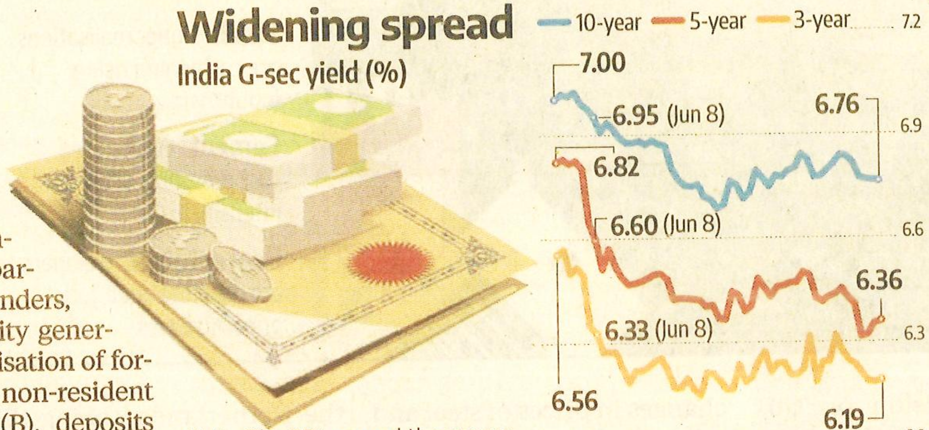
Widening spread

India G-sec yield (%)



Note: The RBI opened the concessional swap window on June 8
Source: Bloomberg

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FCNR(B) swaps: Weekly bank slots delay RBI's $ receipts

The RBI has assigned banks specific days of the week to access its concessional swap window for FCNR(B) deposits, with each bank permitted to swap its accumulated dollar inflows only once a week, according to bankers familiar with the process.

ANJALI KUMARI reports

Business Standard – 11.10.2026

FCNR (B) flows pour into 5-yr G-secs

"Foreign banks don't really have avenues to deploy this money in loans at the pace it's coming in, so a large part of it is going into short-term bonds. That's what softening yields at the shorter end," said the treasury head at a state-owned bank.

Dealers expect the spread between the five- and 10-year bonds to widen further by September as banks continue to deploy the inflows ahead of the September 30 deadline for mobilisation under the FCNR (B) scheme.

The RBI's US dollar-rupee forex swap facility is available for fresh FCNR (B) deposits mobilised for a minimum tenor of three years and a maximum of five years. The facility is available until September 30.

The other factor supporting the five-year segment is the surplus liquidity in the banking system. During time of surplus liquidity, dealers said, banks typically deploy funds at the shorter end of government bond curve. Surplus liquidity, measured by funds parked with the RBI's liquidity adjustment facility, has remained above ₹3 trillion in recent days.

Private and state-owned banks are using much of this liquidity to replace costly bulk deposits raised earlier at higher rates, dealers said. The has also fed through to the certificate of deposit market, where rates have declined as banks have become less reliant on bulk and CD funding to meet their liquidity requirements.

A smaller portion of the excess liquidity at these banks is also being deployed in three- to five-year government securities as lenders assess the pace of credit demand before committing to longer-duration assets.

"The immediate deployment is likely to remain concentrated in the three- to five-year segment, as banks may not want to take duration risk with the liquidity, particularly when they are still assessing the pace of credit demand," the treasury head said.

C S Setty, chairman of State Bank of India, said at a post-earnings press conference that he expects the liquidity generated through FCNR (B) flows to ease pressure on bulk deposit pricing across the banking system. Lenders, including SBI, are likely to avoid aggressively pricing bulk deposits as long as these inflows are sufficient to cover credit growth, he said.

Setty also noted that FCNR (B) mobilisation has not been uniform across banks, meaning larger lenders able to attract such deposits would see greater relief in their bulk deposit rates. Total inflows under the facilities stood at \$40.82 billion as of July 31, up from \$20.72 billion on July 17, according to central bank data. FCNR (B) deposits accounted for \$36.73 billion, while overseas foreign currency borrowings contributed \$2.58 billion and external commercial borrowings \$1.52 billion.

SBI Research has raised its estimate for FCNR (B) inflows over the full window to \$65 billion-\$70 billion from its earlier projection of \$40 billion-\$45 billion. Including overseas foreign currency borrowings and external commercial borrowings, total inflows could reach \$80 billion-\$85 billion, it estimated.

businessline – 11.10.2026

Consumers, small merchants will not have to pay any charges on UPI transactions: FM

MAKING A POINT. Any future MDR will apply only to a limited category of transactions above a set threshold

Our Bureau
New Delhi

Finance Minister Nirmala Sitharaman clarified on Monday that consumers and small merchants, including vegetable vendors and tea stall owners, will not incur any fees for UPI transactions. Separately, Parliament approved the Taxation and Other Laws Amendment (ToLA) Bill following its return by the Rajya Sabha.

"No, consumers will not have to pay any charges on UPI transactions. UPI has remained free for consumers since its launch, and every Indian will continue to make instant digital payments without paying a transaction charge," Sitharaman said while replying to the debate on ToLA Bill in the Rajya Sabha. There was no debate or reply in the Lok Sabha.

Union Finance Minister Nirmala Sitharaman speaking in the Rajya Sabha on Monday during the Monsoon Session ANI

The Bill proposes to amend Section 10A of the Payment and Settlement Systems Act, 2007. According to the Minister, the amendment is an enabling provision. It does not impose any tax or transaction charge on UPI users. It enables the government to specify, through notification, the electronic payment modes that will continue to receive statutory protection against charges.

"Once the Bill is passed by Parliament, the UPI and Services Steering Committee, headed by NPCI, will consider and decide whether any MDR (Merchant Discount Rate) should be introduced and, if so, its scope and structure. Therefore, no MDR framework has yet been finalised," she said.

Further, she said, small merchants remain central to the Government's commitment to financial inclusion & UPI's inclusive growth. The vast majority of merchant transactions, including ordinary, low-value transactions, will continue to remain free. "Any future MDR will apply only to a limited category of merchant transactions above a prescribed threshold," Sitharaman said.

EXPANDING REACH

She highlighted that UPI is available across 11 countries. "World's largest real-time payment system belongs to us. In July 2026 alone, we processed 2,366 crore UPI transactions worth ₹29.9 lakh crore. It's because of the UPI transactions being done by the SVANidhi merchants, redi-patriwalas, etc., that UPI has become so big," she said. At present, banks and payment system providers cannot directly or indirectly charge users for payments made through UPI and RuPay debit cards. The Bill proposes allowing the Central government to decide, through notification, which electronic payment modes or transactions must remain free. Besides other objectives, through the Bill, the government seeks to attract more foreign capital, promote domestic electronics manufacturing and make it easier for foreign cloud companies to use Indian data centres by providing "process certainty."

ToLA Bill, replaces the June 5 Ordinance that provided I-T exemption to interest income and capital gains made by FPIs from investments in G-Secs. It also proposes to make it easier for fund managers to relocate to India by cutting down on the list of conditions that these funds will have to satisfy to ensure that their global income does not get taxed here.

Iran ties Strait of Hormuz reopening to US concessions on several demands

Reuters
Dubai/Washington/Cairo

Iran said it was nearing a final pact with Oman defining new shipping lanes between them through the Strait of Hormuz but repeated that the US must meet other conditions, including compensation and an end to sanctions and military threats, before the strategic waterway is reopened.

The Strait, through which about a fifth of global oil and liquefied natural gas flowed prior to the conflict, has been effectively blocked since the US-Israel attacks on Iran on February 28, pushing up oil prices and inflation.

Iranian Foreign Ministry spokesman Esmaeil Baghaei said on Monday that talks with Oman on arrangements for navigation through the Strait were "progressing smoothly and constructively", with an agreement reached on a shipping route map, while some technical issues on a joint statement remained unresolved.

He said during a weekly press conference in Tehran that the discussions also covered mechanisms for safe navigation, environmental protection, maritime services and combating crime, adding that such services would normally entail receiving payment in return.

On Sunday, Iran's Foreign Minister Abbas Araqchi said an agreement with Oman was in its "final stages" but stressed that Tehran would not reopen the channel unless the US met certain demands made by Tehran.

Iran and the US are not engaged in direct talks and Tehran will not start them as long as Washington breaches an interim deal signed in June, Araqchi said.

TRUMP'S OPINION

US President Donald Trump said in an interview that the US was "low-keying" it with Iran.

"We are only semi-negotiating with them. We are just watching Iran with its huge inflation and the fact they have no money."

Araqchi said reopening the strait would depend in part on the US paying compensation for damage it caused in widespread attacks on Iran.

The outgoing secretary of Iran's top national security body, Mohammad Baqer Zolqadr, also listed ending further US threats against Iran; halting aggression toward Iran and its Lebanese, Palestinian, Yemeni and Iraqi allies; removing a US naval blockade in the Gulf; lifting sanctions on Iran and releasing frozen Iranian assets.

Domestic cotton prices rise on global cues, firm demand

Vishwanath Kulkarni
Bengaluru

Cotton prices in the domestic market have strengthened further, tracking the global trend and firm domestic demand.

On Monday, the Cotton Corporation of India increased prices by ₹700 per candy (356 kg) on firm demand from mills, amid depleting stocks. A potential delay in new crop arrivals is seen aiding the price trend, stakeholders said. Meanwhile, cotton acreage, after trailing last year's levels for most of the sowing season, has now caught up with the area estimated at over 106 lakh hectares (lh) as of Friday last.

In Gujarat, cotton area picked up and as on August 7 stood marginally higher at 20.87 lh (20.35 lh). Other States reporting higher acreage include Telangana at 19.05 lh (17.68 lh), Madhya Pradesh at 5.81 lh (5.56 lh), Andhra Pradesh at 3.46 lh (3.29 lh), Tamil Nadu at 0.5 lh (0.05 lh) and Odisha at 2.24 lh (2.06 lh). In Maharashtra, the acreage stood marginally lower at 37.84 lh (38.28 lh), Karnataka at 6.97 lh (7.59 lh) and Rajasthan at 5.53 lh (6.28 lh).

CCI PRICES SURGE

"Overall prices of CCI cotton are up by around ₹1,400 per candy in the past two weeks as the cotton market continued to rule firm as the arrival of the new crop is delayed due to the late onset of monsoon and consequent delay in sowing," said Ramanuj Das Boob, a sourcing agent in Raichur.

Considering the firm demand, the resale market is also witnessing good demand. Pressed bale cotton prices are ruling around ₹67,500-68,500 per candy, while resellers and multinationals' quotes are approximately higher by around ₹1,000 above CCI prices.

Despite the increase in prices, the CCI is witnessing good daily sales, Das Boob said, adding that total sales on Monday were estimated around 70,000 bales.

Meanwhile, cotton futures on the ICE for December continue to gain and are hovering around 84 cents per pound.

"A weaker dollar, weather concerns in the major US cotton growing regions, tightening global stock expectations and improving demand sentiment supported the market," according to Anand Popat of CotYarn TradeLink.

businessline – 11.10.2026

Kharif sowing deficit dips below 2%

AREA DECLINES. Sugarcane acreage lowered to 58.31 lakh hectares, area under paddy down 4.3%

Prabhudatta Mishra
New Delhi

The area under sowing of all kharif crops has reached near 88 per cent of the season's normal area while deficit from the year-ago level has narrowed to less than 2 per cent as of August 7.

The South-West monsoon rainfall deficit since June 1 currently stands at 88 per cent of the normal, potentially increasing the prospects of a further increase in the sowing area before the planting window closes by the end of this month.

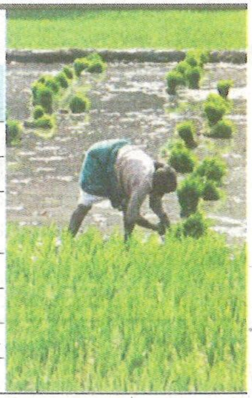
Farmers have planted kharif crops on nearly 74 lakh hectares (lh) during August 1-7 against 65.17 lh a year ago. The higher sowing in the past week helped the country to further narrow the overall deficit, which was nearly 3 per cent until July 31.

The sowing area in the ongoing kharif season has reached 967.92 lh as of August 7 compared with 985.89 lh in the year-ago period, down by 1.8 per cent, the Agriculture Ministry said in its weekly update on Monday.

Catching up (lakh hectare)

	2025	2026	% change
Paddy	360.67	344.78	-4.4
Pulses	105.73	103.78	-1.8
Shri Anna cum Coarse cereals	173.21	168.50	-2.7
Oilseeds	175.01	180.20	3.0
Sugarcane	58.62	58.31	-0.5
Cotton	106.42	106.01	-0.4
All Crops	**985.89**	**967.92**	**-1.8**

*As of Aug 7; Source: Agriculture Ministry



The current coverage is 87.6 per cent of the season's normal area of 1,104.46 lh.

SUGARCANE UP IN U.P.

The Ministry revised the sowing area under sugarcane after a gap of several weeks, showing lower coverage at 58.31 lh from 58.62 lh year-ago. Until July 31, the government was showing 86,000 hectares higher acreage under cane this year. The State-wise acreage data show that except Uttar Pradesh, the area in most of the key growing States is a tad below the year-ago levels.

Uttar Pradesh reported cane area in 28.97 lh against 28.61 lh year-ago. But Maharashtra farmers are said to have planted cane in 11.82 lh against 11.96 lh and in Karnataka, it is 7.33 lh from 7.36 lh.

Similarly, the area under cane in Gujarat has slipped to 1.9 lh from 2.02 lh, in Bihar to 1.89 lh from 1.96 lh, in Tamil Nadu to 1.34 lh from 1.38 lh and in Punjab to 0.81 lh from 0.95 lh.

The kharif season's main cereal, paddy, is down by 4.2 per cent at 344.78 lh against 360.67 lh a year ago. The deficit was 2.2 per cent until July 31 and widening of the gap means there is slow progress in transplanting during the past week. The government has set a production target of 123.15 million tonnes (mt) rice in kharif 2026, and there may not be any significant shortfall due to higher area coverage in the major growing States.

PULSES DOWN

The area under all pulses reached 103.78 lh against 105.73 lh and that of oilseeds at 180.20 lh against 175.01 lh. The deficit in pulses has further reduced to 1.8 per cent from 6.3 per cent until previous week.

Oilseeds acreage this season exceeded the year-ago level with higher area under soybean, groundnut and sesame.

Among the 28.92 mt oilseeds production target fixed by the government for the current season, soybean is aimed at 14.85 mt and groundnut at 11.35 mt.

Among pulses, *arhar* sowing reached at 37.53 lh, down 6.5 per cent from 40.14 lh, *moong* (green gram) at 31.37 lh from 33.21 lh and *urad* (black matpe) rose to 22.86 lh from 20.29 lh. In oilseeds, soybean is a tad higher at 119.92 lh from 119.66 lh and groundnut at 46.82 lh from 43.11 lh. Cotton acreage is now a notch lower at 106.01 lh from 106.42 lh, while jute and mesta coverage is higher at 6.34 lh from 6.22 lh year-ago, data show.

The coverage of nutri/coarse cereals has been reported 7.5 per cent lower at 157.77 lh against 170.6 lh. Jowar area reached 12.16 lh against 12.61 lh year-ago, whereas bajra dipped to 57.44 lh from 61.64 lh, ragi at 1.87 lh from 2.8 lh and maize at 83.56 lh from 90.15 lh.

RAIN DEFICIT 12%

The overall monsoon rainfall, which was 35 per cent (as per revised data) deficient in June and 1 per cent surplus in July, is now reported at 12 per cent during June 1-August 10, in which 345 out of 741 districts have reported rainfall deficit of 20 per cent or higher, India Meteorological Department (IMD) data show.

The rainfall during August 1-10 was 9 per cent below normal.

The government has fixed a production target of 176.16 mt of foodgrains, including 8.4 mt pulses, 31.04 mt maize and 13.56 mt nutri cereals during Kharif 2026.

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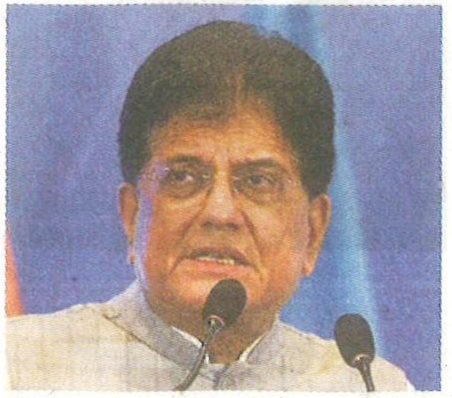
Govt e-marketplace posts surge in GMV at ₹1.55 lakh crore, says Goyal

Our Bureau
New Delhi

The Government e-Marketplace (GeM) has recorded a sharp rise in its gross merchandise value (GMV) at over ₹1.55 lakh crore from ₹422 crore a decade ago, said Commerce and Industry Minister Piyush Goyal on Monday.

More than 12.28 lakh MSEs, including over 2.25 lakh led by women and over 42,000 start-ups, are registered on the portal, showcasing that empowerment was happening at the grassroot level, said the Minister in a post on social media platform X.

"Over the last 10 years, the platform has enhanced competition, improved price discovery, reduced procurement cycle times, generated significant savings for the government and strengthened accountability through end-to-end digital procurement," said Goyal.



Piyush Goyal, Commerce and Industry Minister REUTERS

MAKE IN INDIA

It has made government markets more accessible to MSEs, start-ups, women entrepreneurs, self-help groups, artisans and weavers, while championing the vision of 'Vocal for Local' and 'Make in India', the Minister noted.

"GeM is emerging as a key driver of self-reliance that is also strengthening the foundation of a Viksit Bharat," said Goyal.

GeM was launched in 2016 as an online platform to facilitate the transparent and efficient procurement of goods and services by government departments and organisations.

Over the years, it has expanded the participation of smaller businesses and start-ups in public procurement through a digital marketplace.

businessline – 11.10.2026

El Nino may push up India's power demand in Aug-Sept

Rishi Ranjan Kala
New Delhi

As El Nino continues to develop, with likely impact on climate during August to October 2026, the weather pattern is also expected to push up India's peak power demand as high humidity and heat can lead to higher demand for cooling.

Historically, El Nino is associated with significant temporal and spatial variations in monsoon, which can influence electricity demand, hydro generation, wind power generation and overall power system reliability.

An official said that India's electricity requirement grew significantly in view of the developing El Nino event. For instance, the overall rise in peak power demand was around 12 per cent year-on-year (y-o-y) in April-June 2026.

"If it develops, as is being predicted, then an uptick in peak power demand is expected during August or September. Below-normal rains and high daytime & night-time temperatures will push up cooling demand," the official added.

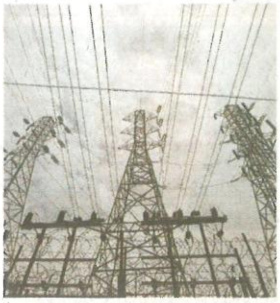
The World Meteorological Organization's (WMO) on July 31 said that El Nino continues to intensify steadily and is expected to dominate global climate patterns in the August-October 2026 season.

The Global Seasonal Climate Update predicts an overwhelming likelihood of above average temperatures across most land areas, including the Indian subcontinent.

WMO's August-October 2026 rainfall outlook forecasts drier-than-normal conditions over several parts, including the Indian subcontinent.

EL NINO EFFECT

Charles Worringham, guest contributor for South Asia at the Institute for Energy Economics and Financial Analysis (IEEFA), noted that if the developing El Nino is as strong as some forecasts indicate, it is likely to increase the demand for cooling and also see more power used for irrigation to compensate for reduced rainfall.



"Both hydropower and wind generation could be reduced, with solar largely unaffected, leaving the prospect of greater coal use than would otherwise be the case," he told *businessline*.

Wood Mckenzie also expects India to clock higher solar power generation in the spring season (2027) due to El Nino.

POWER GENERATION

On the impact of the weather pattern on thermal and hydro generation, Worringham said electricity from large hydro plants was low in May 2026, but it recovered in July, with values close to average in recent years. It is substantially higher than 2018, which recorded very poor numbers, he noted.

Hydropower usually peaks in August or September before rapidly falling, but it's buffered from short-term rainfall deficits by reservoir volumes, which take some time to diminish, he added.

"The greater danger is a prolonged period of poor rain, which could put reservoirs and therefore hydro generation in a poor position leading up to next year's peak hydro season," Worringham warned.

An offsetting factor this year has been the record-setting generation from the wind sector in July, surpassing 700 gigawatt (GW) per day at one point. Coal generation often drops to lower levels from July but this year it has remained high in the face off strong power demand, he pointed out.

Fitch, in a July 14 commentary, said India's wind generation typically depends on monsoon wind conditions, which can be affected by El Nino. This could lead to lower generation at some wind projects, although the relationship has not been consistent across past episodes.