COTTON ASSOCIATION OF INDIA

Established 1921

ISO 9001:2015



News Relating to Cotton and Textile Sector

Date-17-11-2026

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COTTON ASSOCIATION OF INDIA

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Mumbai, Tuesday 17th November 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)	Rs. per Quintal	Rs. per Candy	Variation + (Plus) - (Minus)
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Gravimetric Trash %	Strength / GPT	2026-27	2026-27		2025-26	2025-26	
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	4%	15	15494	55100	(-200)	N.A.	N.A.	
2	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	15%	20	N.A.	N.A.		13863	49300	(-100)
3	P / H / R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	17800	63300	(-400)	N.A.	N.A.	
4	M/M(P) /SA/TL/GUJ	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	N.A.	N.A.		N.A.	N.A.	
5	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	N.A.	N.A.		N.A.	N.A.	
6	P/ H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	17884	63600	(-400)	N.A.	N.A.	
7	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	N.A.	N.A.		N.A.	N.A.	
8	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	N.A.	N.A.		N.A.	N.A.	
9	GUJ	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	N.A.	N.A.		N.A.	N.A.	
10	R(L)	ICS-105	Fine	28mm	3.7 – 4.9	4.0%	27	17800	63300	(-400)	N.A.	N.A.	
11	R(L)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	18643	66300	(-400)	N.A.	N.A.	
12	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	18643	66300	(-200)	N.A.	N.A.	
13	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	18615	66200	(N.C.)	N.A.	N.A.	
14	GUJ	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	18643	66300	(-200)	N.A.	N.A.	
15	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	18897	67200	(-200)	N.A.	N.A.	
16	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	18868	67100	(N.C.)	N.A.	N.A.	
17	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	19093	67900	(-200)	N.A.	N.A.	
18	SA/TL/K/TN/O	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	N.A.	N.A.		N.A.	N.A.	
19	SA/TL/K/TN/O	ICS-106	Fine	32mm	3.5 – 4.9	3%	31	N.A.	N.A.		N.A.	N.A.	
20	M/M(P)	ICS-107	Fine	34mm	2.8 - 3.7	4%	33	25955	92300		N.A.	N.A.	
21	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	26573	94500	(N.C.)	N.A.	N.A.	
22	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	26855	95500		N.A.	N.A.	
23	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	26995	96000	(N.C.)	N.A.	N.A.	

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. 3
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 (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. 4 are for 67 Rd
10	For Northern Zone (P/H/R(U)-Sr. Nos. 3 and 6 are for 70 Rd
11	For M/M(P)/SA/TL-Sr Nos. 5, 7, 8, and GUJ-Sr No.9 are for 74 Rd
12	For R(L)-Sr. No. 10 is for 72 Rd and 11 is for 73 Rd
13	For M/M(P) and K/TN-Sr Nos. 20 to 23 are for 70-72 Rd

Secretary

ICE Cotton Futures: 16-11-2026

ICE COTTON CLOSE					16 Nov 2026	
CONTRACT MONTH	OPEN	HIGH	LOW	SETTLE	CHANGE	Op. Int.
Cotton (CT) - Quote: Cents/Pound - Contract Size: 50,000 Pounds.						
Dec-26	78.70	78.75	76.95	77.00	▼1.78	43,282
Mar-27	82.47	82.58	80.86	80.92	▼1.69	1,45,430
May-27	84.20	84.26	82.47	82.53	▼1.77	73,444
Jul-27	84.70	84.70	83.00	83.06	▼1.74	45,675
Oct-27	78.10	78.19	77.99	77.99	▼0.86	23
Dec-27	77.66	77.66	76.95	77.02	▼0.73	38,526
Mar-28	78.25	78.25	77.83	77.83	▼0.68	2,661

Cotlook Index: 16-11-2026

91.05 (+0.25)

ICE cotton futures slump on weak demand, stronger US dollar

Tuesday, 17th Nov. 2026, (Source: www.fibre2fashion.com)

nsights

ICE cotton futures fell sharply as weak export demand, a stronger US dollar and December liquidation weighed ahead of the November 23 first notice day.

December 2026 settled 178 points lower at 77.00 cents per pound, and total open interest fell to 349,653 contracts.

USDA said upland export sales dropped 43 per cent from the previous week; China bought just 1,994 bales.



ICE cotton futures declined sharply on Monday, breaking below their recent narrow trading range as weak export demand, a stronger US dollar and liquidation ahead of the December contract's first notice day weighed on market sentiment. Cotton prices had remained largely range-bound over the previous seven sessions, with a cumulative movement of just 59 points. However, selling pressure intensified as traders adjusted their positions ahead of the approaching delivery period.

The ICE December 2026 cotton contract settled 178 points lower at 77.00 cents per pound (0.453 kg), while the March 2027 contract declined by 169 points to 80.92 cents per pound. Other contracts closed between 59 and 178 points lower. December futures moved closer to their November 3 low of 76.85 cents, which has emerged as an important technical support level.

Trading volume increased to 91,483 contracts from 79,277 contracts on Friday, although it remained below last week's daily average of 103,849 contracts. More than half of the trading activity was concentrated in March futures, while attention remained focused on liquidation in the December contract.

December cotton futures are approaching their first notice day on November 23. Open interest in the contract stood at 43,282 contracts at the beginning of Monday's session, following a sharp reduction of 21,997 contracts on Friday. The expiry of December options on Friday resulted in the exercise of 24,319 calls and 25,922 puts, potentially contributing to additional futures liquidation.

Total open interest declined by 17,042 contracts to 349,653 contracts, its lowest level since August 11. Open interest has fallen in 15 of the past 17 sessions and is now 52,611 contracts below the all-time high of 402,264 contracts recorded on October 21. Meanwhile, open interest in March futures increased by 2,531 contracts to 145,430 contracts, with the contract's first notice day scheduled for February 22, 2027.

Certified cotton stocks stood at 83,599 bales at the beginning of Monday's session, following the addition of 4,168 newly certified bales. Another 518 bales remained under review. During the previous week, 7,874 bales were newly certified, including 7,420 bales from the 2025 crop. The December delivery period represents the final opportunity to deliver 2025-crop cotton without incurring the two-cent-per-pound year-of-growth penalty applicable to subsequent deliveries in 2027. Weak export demand continued to undermine market confidence. According to the US Department of Agriculture (USDA), net export sales of upland cotton for the week ended November 5 totalled

157,326 bales, down 43 per cent from the previous week and 25 per cent below the four-week average. Sales to China amounted to just 1,994 bales. Sales for the next marketing year totalled 30,800 bales, with no purchases reported from China.

Market analysts said that insufficient demand remained a major concern for agricultural commodities, particularly cotton. Weak export figures and the strengthening US dollar have added to the pressure on cotton futures.

The US dollar climbed to its highest level since April 2025 on Monday, supported by stronger inflation data and hawkish signals from the Federal Reserve. A firmer dollar makes US cotton more expensive for overseas buyers, potentially weakening export competitiveness and further restricting demand.

Meanwhile, the Cotton USA Summit began on Monday in Scottsdale, Arizona, and will continue through Wednesday. The biennial, invitation-only event, organised by Cotton Council International in collaboration with the US cotton industry, is expected to provide opportunities to secure new cotton export business.

Market participants are closely monitoring December contract liquidation ahead of the November 23 first notice day, alongside developments in the US dollar, Federal Reserve policy expectations and upcoming export sales data.

From a technical perspective, the December contract faces immediate support at 76.85 cents per pound. On the upside, resistance is seen at 77.05 cents, followed by 78.52 cents and 79.23 cents. The breakdown from the recent trading range suggests that prices could remain under pressure unless export demand improves or fresh buying interest emerges.

This morning (Indian Standard Time), March 2027 cotton traded at 80.94 cents per pound (up 0.02 cent). Cash cotton was quoted at 81.92 cents (up 4.12 cents), while the December 2026 contract traded at 77.08 cents (up 0.08 cent). The May 2027 contract traded at 82.49 cents (down 0.04 cent), the July 2027 contract at 83.07 cents (up 0.01 cent), and the October 2027 contract at 77.99 cents (down 0.86 cent). A few contracts remained at their previous closing levels, with no trading recorded so far today.

Bangladesh trade gap with India hits $7,860 mn in FY25

Tuesday, 17th Nov. 2026, (Source: www.fibre2fashion.com)

Insights
Bangladesh recorded trade deficits with four SAARC members in FY25.
India accounted for the largest shortfall at $7.86 billion, followed by Pakistan at $681.3 million.
Bangladesh also ran deficits with Bhutan and Afghanistan and surpluses with Nepal, Sri Lanka and the Maldives.
Talks with neighbouring countries continued on trade barriers, customs cooperation and border infrastructure.

Bangladesh has reported trade deficits with four South Asian Association for Regional Cooperation (SAARC) member countries in fiscal year 2024-25 (FY25), led by a $7,859.87-million gap with India, according to figures presented by the Commerce Minister Khandaker Abdul Muktadir.

Exports to India totalled $1,764.23 million in FY25, while imports from India amounted to $9,624.10 million, Muktadir's figures showed. Pakistan was the second-largest deficit market among the four countries, with Bangladesh exporting $74 million and importing $755.30 million, leaving a $681.3-million shortfall.

The minister's data put Bangladesh's exports to Afghanistan at $11.9 million and imports at $21.80 million, resulting in a deficit of $10.71 million. Exports to Bhutan were $14.33 million against imports of $44.10 million, producing a $29.77-million deficit, as reported by local media.

Bangladesh recorded surpluses with other neighbouring markets. Exports to Nepal were $35.40 million and imports $5.50 million, creating a $29.90-million surplus. With Sri Lanka, exports stood at $82.85 million and imports at $76.60 million, giving a $6.25-million surplus. Exports to the Maldives were $6.35 million against imports of $3.50 million, leaving a $2.85-million surplus.

The information was given during the fourth session of the 13th Jatiya Sangsad (National Parliament) in response to a question from Chapainawabganj-1 MP Md Keramat Ali. He asked whether the commerce ministry had recently taken bilateral steps to expand two-way trade with India and neighbouring countries through major land ports, including Sonamasjid Land Port, and to address export-duty barriers.

Muktadir said the commerce ministry regularly takes initiatives to expand bilateral trade and remove tariff and non-tariff barriers with India and neighbouring countries. Discussions at commerce secretary-level meetings and joint working groups were continuing on non-tariff barriers, mutual recognition of product quality and testing certificates, customs cooperation, border infrastructure, trade facilitation and faster resolution of emerging issues, he said.

Export Incentive Schemes May Get Long-Term Extension

Tuesday, 17th Nov. 2026, by Yash Chouhan, (Source: www.smartinfoindia.com)

Efforts Underway to Extend RoDTEP and RoSCTL Schemes for the Long Term

The Ministry of Commerce and the Ministry of Textiles are working to ensure the long-term continuation of duty and tax remission schemes available to exporters. Both ministries are making presentations to the Department of Revenue (DoR) regarding the impact of the 'Remission of Duties and Taxes on Exported Products' (RoDTEP) and the 'Rebate of State and Central Taxes and Levies' (RoSCTL) schemes. The objective is to extend these schemes for a longer duration beyond December 31, 2026.

According to industry sources, these schemes are designed to provide relief to exporters by compensating them for taxes and duties paid on raw materials, services, and other inputs used in production—costs that are not otherwise recoverable. The Department of Revenue is currently evaluating the effectiveness of these schemes and their role in boosting exports.

Sources indicated that the Department of Revenue aims to ensure that the benefits of these schemes are not limited to large corporations or a select group of exporters, but instead reach a broader range of sectors and businesses. In this regard, the ministries have held meetings and delivered presentations to the relevant authorities.

Exporters Seek Long-Term Policy Certainty

The industry is advocating for an extension of these schemes for a period of 3 to 5 years. Exporters argue that frequent, short-term extensions create business uncertainty. A stable policy framework is essential for securing orders in international markets and maintaining competitiveness.

In September, the Department of Commerce requested an extension of these schemes for 5 years; however, the Ministry of Finance did not grant this. Instead, both schemes were extended for only 3 months—until December 31, 2026. Scope of RoDTEP and RoSCTL Schemes

Under the RoDTEP scheme, most exported products—with a few exceptions—are eligible for reimbursement of central, state, and local taxes, duties, and levies that are not refunded through any other mechanism. Meanwhile, the RoSCTL scheme is specifically applicable to the export of apparel, fabrics, and made-up textile articles.

According to certain officials, the Department of Commerce has requested an increase in the budget allocation for the RoDTEP scheme from ₹10,000 crore to ₹23,000 crore for the 2026-27 financial year.

During the April–October period of 2026-27, India's merchandise exports grew by 21.96 percent, reaching $309 billion. Citing this growth, the ministry is emphasizing the need to continue these schemes over the long term and to provide greater budgetary support.

China Cotton Yarn Prices Continue to Decline

Tuesday, 17th Nov. 2026, by Yash Chouhan, (Source: www.smartinfoindia.com)

China: Cotton Yarn Prices Continue to Fall Amid Off-Season; Weak Demand Leads to Stock Accumulation

Cotton yarn prices in China continue to decline due to weak demand. The off-season in the downstream textile industry has led to sluggish trading activity. Spinning mills are receiving fewer new orders, and the slow clearance of finished goods is increasing the pressure of accumulated stock.

As of November 13, the ex-factory spot price for 21S ring-spun cotton yarn in the Shandong region stood at 22,765 RMB per tonne—a decrease of 135 RMB per tonne compared to two weeks ago. Meanwhile, the price for 32S yarn was 24,100 RMB per tonne, down by 200 RMB per tonne.

Trading Impacted by Weak Demand

There was no significant improvement in demand within the downstream market last week. Spinning mills primarily received small, sporadic orders, resulting in slow sales of finished goods. To reduce inventory, some mills and traders offered price discounts; this particularly affected open-end yarn and coarser-count ring-spun yarn. Conversely, prices for 60S and higher-count carded and combed yarns remained stable, with a slight improvement in their shipments.

Sluggish Sales of Imported Yarn

Prices for some varieties of imported yarn saw a slight decline, while most remained stable. Prices for Indian yarn fluctuated due to exchange rate variations and price differentials, leading traders to exercise caution in their purchasing. Additionally, operational rates at spinning mills in India declined due to the Diwali holiday.

Rising Stock Levels at Mills Affecting Production

Weak sales have led to an increase in stocks of finished yarn at the mills. As of November 12, the operating rate of China's cotton yarn industry had fallen to 68.12%. Stocks of finished goods held by domestic manufacturers reached a level equivalent to 31.61 days of production—an increase of 0.65% compared to the previous period. In some regions, these stocks exceed the equivalent of 35 days of production.

Weakened cost support due to falling cotton prices

Cotton futures and spot prices declined last week. On the Zhengzhou Cotton Exchange, futures prices hovered between 15,300 and 15,500 RMB per tonne. The average processing margin for C32S cotton yarn stood at 5,086 RMB per tonne, down by 4.53%. Meanwhile, as of November 12, the spot profit margin for ring-spun C32S yarn fell to -1,121.5 RMB per tonne, marking a decline of 23.10 RMB per tonne.

Continued sluggishness in the textile industry

New orders in the greige fabric market remain weak, though there has been a slight improvement in inquiries for functional fabrics. In China's Foshan market, the operating rate for circular and flat knitting machines remains below 20%. Most factories have begun scaling back production or shutting down operations.

Overall, China's cotton yarn market remains under pressure due to weak demand, rising inventory levels, and declining cotton prices.

Nandori Cotton Opens at ₹9,201 per Quintal

Tuesday, 17th Nov. 2026, by Yash Chouhan, (Source: www.smartinfoindia.com)

Maharashtra: Cotton priced at ₹9,201 per quintal in Nandori; farmers receive a good price on the first day of the procurement season

Wardha: The 2026-27 cotton procurement season has begun on a positive note in the Samudrapur area of Maharashtra's Wardha district. On the first day of the season, the price for cotton was recorded at ₹9,201 per quintal at M/s Chordia Industries in Nandori. This strong opening price has brought enthusiasm among local cotton farmers.

The cotton procurement process at the ginning unit of Chordia Industries—which falls under the jurisdiction of the Samudrapur Agricultural Produce Market Committee (APMC)—was inaugurated by APMC Secretary Shankar Dhote. On this occasion, the cotton brought for sale was purchased at a rate of ₹9,201 per quintal.

Seven farmers who arrived to sell their cotton on the first day of the season were felicitated by the ginning unit management and the APMC. These included Bandu Parkhi and Bandu Badiye from Govindpur; Uttam Yenorkar from Mendhula; Karan Jene from Sawli (Wagh); Nitesh Daf from Kora; and Dnyaneshwar Dhote and Vilas Nivte from Pathar.

According to reports, approximately 300 quintals of cotton arrived for sale on the first day of procurement, transported to the ginning unit via about 20 vehicles.

Present on the occasion were APMC Secretary Shankar Dhote, Supervisor Laxman Vandile, ginning unit directors Sandeshbabu Chordia and Ajit Archwadkar, and grader Ashwin Chaudhari.

All eyes on cotton prices in the coming days

Given the rising costs of cotton cultivation, it is crucial for farmers to receive a fair price for their produce. In this context, the initial price of ₹9,201 per quintal has boosted farmers' expectations. They will now be closely monitoring procurement trends and cotton prices in the days ahead. However, it would be premature to estimate price trends for the entire season based on the rates received on the first day.

The APMC has appealed to farmers to sell their cotton only to authorized and licensed buyers.

India Explores Egyptian Cotton Imports

Tuesday, 17th Nov. 2026, by Yash Chouhan, (Source: www.smartinfoindia.com)

India seeks to import cotton from Egypt while safeguarding the interests of domestic farmers: Piyush Goyal

India is exploring the possibility of importing high-quality cotton from Egypt to meet the requirements of its textile industry and boost textile exports to markets in the United States and Europe. At the same time, the interests of domestic cotton farmers will be protected. This was stated by Union Minister of Commerce and Industry Piyush Goyal during a press conference held in Egypt.

Goyal mentioned that negotiations for a potential trade agreement between India and Egypt are expected to commence within the next 90 days. Both nations aim to increase bilateral trade from the current $5.04 billion to $12 billion. To this end, delegations from various sectors are set to visit each other's countries over the next 12 months.

Safeguarding farmers' interests alongside cotton imports

Goyal clarified that while India intends to provide its textile industry with high-quality raw materials, such imports must not come at the expense of domestic cotton farmers. Both countries will work toward developing a framework that ensures the industry's needs are met while simultaneously safeguarding the interests of Indian farmers.

Considering a PTA and an FTA

India and Egypt are evaluating the options of a Preferential Trade Agreement (PTA) and a Free Trade Agreement (FTA) for a potential trade deal. In this context, the seventh meeting of the India-Egypt Joint Trade Committee (JTC) was held, co-chaired by Piyush Goyal and Egypt’s Minister of Investment and Foreign Trade, Dr. Mohamed Farid Saleh.

The two nations identified manufacturing, pharmaceuticals, engineering, and the textile industry as priority areas for cooperation. Furthermore, discussions also covered agricultural products, market access, non-tariff barriers, renewable energy, green hydrogen, and logistics. Prospects for Cooperation in Ports and Investment

India is exploring the possibility of developing new ports in Egypt and involving Indian companies in the operation of existing ones. Opportunities related to industrial development, manufacturing, and infrastructure within the Suez Canal Economic Zone are also being considered. Egypt’s strategic geographical location can assist Indian companies in gaining access to markets across Africa, West Asia, and Europe.

65% Growth in India-Egypt Trade

During the April–September 2026 period, bilateral trade between the two nations reached $5.04 billion—a 65% increase compared to the same period in the previous year. In the 2025–26 fiscal year, India’s exports to Egypt stood at $3.87 billion, while imports from Egypt amounted to $2.60 billion.

India exports items such as meat, poultry products, petroleum products, organic chemicals, cotton, and machinery to Egypt. Conversely, India imports crude petroleum, fertilizers, cotton, and mineral products from Egypt.

This initiative includes an Indian delegation comprising over 130 CEOs and senior industry representatives, who are exploring avenues to boost trade and investment between the two countries through joint ventures, technical partnerships, and industrial collaboration.

India-Thailand trade rises 12.6% to $21.49 bn in FY 2025-26

Tuesday, 17th Nov. 2026, (Source: www.fibre2fashion.com)

Insights
India-Thailand trade rose 12.6 per cent year on year to $21.49 billion in FY 2025-26, with Thailand accounting for 16.7 per cent of India's trade with ASEAN.
At their 14th Joint Trade Committee meeting, the two countries explored textile cooperation, discussed linking UPI with PromptPay and considered ways to help traders use existing tariff preferences and overcome non-tariff barriers in both markets.

Bilateral trade between India and Thailand rose 12.6 per cent year on year (YoY) to $21.49 billion in fiscal (FY) 2025-26, with Thailand accounting for 16.7 per cent of India's total trade with the Association of Southeast Asian Nations (ASEAN), according to India's Ministry of Commerce and Industry.

The figures were reviewed at the 14th meeting of the India-Thailand Joint Trade Committee (JTC), held on November 16, 2026, at Thailand's Ministry of Commerce in Nonthaburi. The meeting was co-chaired by Nitin Kumar Yadav, additional secretary, Department of Commerce, Ministry of Commerce and Industry, and Chotima Iemsawasdikul, director-general, Department of Trade Negotiations, Ministry of Commerce, Thailand. Representatives of concerned ministries, departments and organisations of both countries also participated.

The agenda included payment and financial connectivity, covering the linkage of India's Unified Payments Interface (UPI) with Thailand's PromptPay, local currency settlement and financial technology (FinTech) cooperation between the Reserve Bank of India and the Bank of Thailand.

Both sides discussed improving the utilisation of the ASEAN-India Trade in Goods Agreement (AITIGA) and the India-Thailand Early Harvest Scheme. They also explored an annual mechanism to exchange bilateral trade data and information on the use of preferences to identify areas for expanding preferential trade and addressing implementation-related challenges, while underlining the importance of an early and meaningful conclusion of the AITIGA Review, the Ministry of Commerce and Industry said in a press release.

Market access discussions covered issues faced by traders, including access for agricultural, livestock and marine products, sanitary and phytosanitary measures, certification processes, quality and regulatory requirements, and the removal of non-tariff barriers. The two countries also explored cooperation in pharmaceuticals and healthcare, AYUSH and traditional medicine, textiles, plastics and petrochemicals, gems and jewellery, and the services sector, along with collaboration between trade promotion organisations.

India highlighted investment opportunities in infrastructure and logistics, automotive and electric vehicles, food processing and agro-industry, electronics and semiconductors, and tourism, hospitality and wellness. Thailand shared its economic outlook and investment facilitation measures and presented its Co-Creation Co-Investment approach, which India agreed to examine further in consultation with concerned ministries and departments.

The meeting reaffirmed the two countries' commitment to strengthening the India-Thailand economic partnership. The co-chairs encouraged officials to continue discussions and hold working-level meetings before the next JTC meeting, which will be held in India, added the release.

India's Overall Exports Jump 29.9% in October; Agricultural Exports Rise 17.2%

Friday, 13th Nov. 2026, (Source: www.eng.ruralvoice.in)

India's overall exports rose 29.9% to $89.99 billion in October 2026, while agricultural and allied exports increased 17.2% to $4.47 billion. During April-October, agricultural exports grew 7.7% to $27.88 billion, against a 22.4% rise in imports to $32.14 billion, highlighting continued dependence on overseas agricultural supplies.

- **Rice Exports Rise 18% in October, Vegetable Oil Imports Surge 56%; Pulses and Fertiliser Imports Decline**

India's overall exports of goods and services rose 29.90% year-on-year to an estimated $89.99 billion in October 2026, while imports increased 16.58% to $110.07 billion. Within merchandise trade, exports of agricultural and allied products covered in the latest government estimates grew 17.2% to $4.47 billion during the month. Agricultural imports across the five major categories listed in the estimates also increased 21.3% to $6.25 billion, reflecting higher overseas purchases of vegetable oil, cotton, pulses, fruits and vegetables, and fertilisers.

The overall trade performance remained strong during the first seven months of FY 2026-27. Between April and October, combined exports of merchandise and services increased 16.66% to $568.84 billion, against $487.59 billion in the corresponding period of the previous year. Cumulative imports rose 16% to $662.19 billion from $570.84 billion.

Merchandise exports during April-October stood at $309.06 billion, registering growth of 21.96% over $253.40 billion in the year-ago period. Merchandise imports increased to $527.21 billion from $452.86 billion.

October: Agricultural export performance

Rice exports increased 18.39% to $1.04 billion in October 2026, compared with $876.02 million in the corresponding month last year. Marine product exports rose 13.76% to $1.02 billion, while meat, dairy and poultry exports registered a 34.87% increase to $788.26 million.

Other cereals recorded the highest growth among the major export categories, with shipments rising 87.47% to $44.14 million. Exports of cereal preparations and miscellaneous processed items increased 37.40% to $342.79 million.

Coffee exports rose 8.51% to $138.42 million, while spice exports increased 9.11% to $345.62 million. Exports of fruits and vegetables registered marginal growth of 1.84% to $295.72 million. Tea exports also increased 23.04% to $96.57 million.

However, several traditional agricultural export categories faced declines. Tobacco exports fell 18.01% to $133.86 million, while cashew exports plunged 53.33% to $28.35 million. Oilseed exports declined 3.14% to $77.19 million. Oil meal exports, on the other hand, increased 85.55% to $118.40 million during the month.

October Agricultural imports

Imports of the five major agricultural and allied product categories covered in the estimates increased 21.3% to $6.25 billion in October 2026, against $5.16 billion in the corresponding month last year. Vegetable oil remained the largest category, with imports increasing 56.53% to $2.49 billion from $1.59 billion. Raw cotton and cotton waste imports surged 93.59% to $453.04 million, compared with $234.02 million a year earlier.

Imports of fruits and vegetables increased 34.08% to $487.09 million. Pulses imports, however, declined 22.64% to $387.35 million. Fertiliser imports, including crude and manufactured varieties, recorded a marginal decline of 1.24% to $2.44 billion, compared with $2.47 billion in October 2025.

April-October: Agricultural export growth at 7.7%

During April-October 2026, India's exports of the 13 agricultural and allied product categories increased 7.67% to $27.88 billion, compared with $25.90 billion in the corresponding period of the previous year. This was considerably slower than the 21.96% growth in overall merchandise exports during the same period.

Rice continued to be the largest agricultural export category, with shipments rising 4.63% to $6.81 billion from $6.51 billion. Marine product exports increased 13.32% to $5.52 billion, while meat, dairy and poultry products recorded strong growth of 40.81% to $4.69 billion.

Other cereals registered exceptional growth of 109.74%, with exports reaching $321.24 million against $153.17 million. Exports of cereal preparations and miscellaneous processed items increased 11.19% to $2.11 billion.

April-October: Agricultural imports rise 22.4%

Imports of the five major agricultural and allied categories increased 22.42% to $32.14 billion during April-October 2026, against $26.26 billion in the corresponding period last year. Vegetable oil imports increased 17.74% to $13.64 billion, compared with $11.58 billion a year earlier, remaining the largest agricultural import category.

Fertiliser imports rose 22.55% to $12.48 billion from $10.19 billion. Imports of fruits and vegetables increased 30.52% to $2.67 billion, while pulses imports rose 17.35% to $1.80 billion. Raw cotton and cotton waste imports registered the sharpest increase, rising 70.87% to $1.56 billion from $910.73 million in April-October 2025.

BKS Seeks Higher PM-KISAN, 100% Pulses Procurement in Budget
Monday, 16th Nov. 2026, (Source: www.money.rediff.com)

Bhartiya Kisan Sangh (BKS) submits 17-point pre-Budget charter, demanding increased PM-KISAN funds, full pulses procurement, and organic farming support.

Key Points

- The RSS-affiliated BKS submitted a 17-point pre-Budget charter to the Finance Minister.
- Key demands include increased PM-KISAN allocation and 100% procurement of pulses.
- BKS also sought support for natural/organic farming, including market development and chemical testing.
- Other suggestions covered indigenous cattle, oilseed missions, traditional seeds, and irrigation projects.
- The charter addressed stubble management, cotton production, and crop protection from wild animals.

New Delhi, Nov 16 (PTI) The RSS-affiliated Bhartiya Kisan Sangh (BKS) has sought an increase in the allocation for the PM-KISAN scheme, 100 per cent procurement of pulses and incentives for small farmers to rear indigenous cows as part of its 17-point suggestions for the Union Budget 2027-28.

The demands were submitted by BKS All India General Secretary Mohini Mohan Mishra at a pre-Budget consultation meeting chaired by Finance Minister Nirmala Sitharaman at Kartavya Bhawan.

Ahead of the Union Budget 2027-28, Sitharaman chaired the first pre-Budget consultation meeting with economists on Monday.

Leading economists advised her to retain the capital gains tax on equities, countering calls from industry leaders and global investors to scrap the levy.

The BKS also sought higher budgetary allocation for promoting natural and organic farming, developing an organic market chain and setting up district-level centres to test chemical residues in foodgrains.

It said the government should incentivise small and marginal farmers to rear indigenous cattle breeds suited to their respective agro-climatic zones to promote cow-based agriculture and facilitate the transition towards chemical-free farming.

The farmers' organisation demanded a comprehensive organic market chain, including separate procurement, distribution, processing, branding and marketing facilities, to help farmers engaged in low-chemical and chemical-free agriculture.

It also called for setting up district-level standardisation centres to test chemical residues in foodgrains and dedicated testing facilities to prevent the supply of food containing excessive chemical residues through the Public Distribution System (PDS).

To achieve self-reliance in edible oil production, the organisation sought greater focus on the Oilseeds Mission, particularly the Mustard Mission.

It demanded priority for the distribution of mustard seeds from the Bharatpur research centre and their procurement by government agencies to increase the area under oilseed cultivation and boost production.

The BKS also called for 100 per cent procurement of pulses to achieve self-reliance in the sector and sought allocations for maize procurement, transportation, infrastructure and storage to meet the country's ethanol and poultry feed requirements.

It further demanded the release and distribution of traditional seed varieties, including aromatic rice and drought-resistant, flood-resistant, salinity-tolerant and pest- and disease-resistant varieties, through Krishi Vigyan Kendras (KVKs).

The organisation sought budgetary support for the purification, improvement and distribution of such seeds to address climate change and malnutrition, promote sustainable agriculture and economically empower farmers.

The BKS also sought adequate funds to utilise the waters of the Indus, Chenab, Jhelum, Ravi, Beas and Sutlej rivers for irrigation in Jammu and Kashmir, Punjab, Haryana, Rajasthan and Gujarat to tackle droughts and floods.

It demanded easy and low-cost organic certification facilities for small farmers through KVKs and the establishment of organic market complexes at amenity centres along national highways through the public-private partnership (PPP) mode.

The organisation said the assistance under the PM-KISAN scheme should be increased in view of

the rising cost of agricultural inputs and farm production, claiming that small farmers constitute 85 per cent of the farming community and have benefited significantly from the scheme.

Among other demands, it sought higher allocations for stubble management and promotion of the ICAR-approved CICR-Dada Lad Cotton Production Technology to improve domestic cotton output.

The BKS said natural and organic farmers are deprived of subsidies available for preparing their own organic manure. It sought fertiliser subsidies for such farmers through direct benefit transfer (DBT).

It also sought funds for the Forest Department to check damage to crops from wild animals and adequate compensation for affected farmers.

The organisation called for establishing shelters, sanctuaries and gaushalas to protect crops from the menace of stray cattle.

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businessline – 17.11.2026

FM begins pre-Budget consultation with stakeholders

TAKING STOCK. Economists project GDP growth of around 7.5% this fiscal; express concerns over rising inflation and adverse weather conditions

Shishir Sinha
New Delhi

Amid mixed projection for high frequency economic indicators, Finance Minister Nirmala Sitharaman on Monday started her pre-Budget consultations. The Budget for 2026-27 is likely to be present on February 1, 2027.

The consultations are taking place at a time when global and domestic institutions have expressed optimism about the economy, though growth during the July-September quarter could be lower than the corresponding quarter of last fiscal. Also, there are concerns over higher inflation. The government will formally release the second quarter growth data on November 30.

"Union Minister for Finance & Corporate Affairs Smt. @nsitharaman chairs the first pre-Budget consultation with leading economists in connection with the upcoming Union Budget 2027-28, in New Delhi, today. The meeting was also attended by Secretary, Department of Economic Affairs (DEA) @FinMinIndia; and Chief Economic Adviser, Government of India, besides senior officers from the DEA," the Finance Ministry said in a social media post.



BRAINSTORMING SESSION. Finance Minister Nirmala Sitharaman chairing the first Pre-Budget consultation meeting with leading economists in New Delhi on Monday ANI

HIGHER INFLATION

Amid the threat of higher inflation, more entities are expecting better growth in the current fiscal. Bank of Baroda's Economist Sonal Badhan projected the GDP to expand by 7.4-7.5 per cent during the July-September quarter of FY27 as compared to 8.1 per cent growth in Q2FY26. "Agriculture and trade & services sectors are expected to face headwinds amidst deficient South-West monsoon, which could affect early harvest (main kharif harvest is in Q3) and the impact of the West Asia crisis."

However, this will be countered by healthy growth in mining, manufacturing, financial services and public admin & defence. A steady rise in government capex, along with healthy credit and deposit growth and improvement in corporate profitability, is expected push growth higher. "Going ahead for FY27, growth is projected at 7.2 per cent, as a temporary truce between the US and Iran has raised hopes of a more permanent peace deal between the two."

Further, she hoped that a steep decline in oil prices would benefit service, manufacturing sector growth and government's fiscal balance sheet. "Pressure on agriculture may continue, tracking current El Nino conditions and water reservoir levels," she said.

GDP OUTLOOK

A report, prepared by Morgan Stanley's Chief India Economist Upasana Chachra and Economist Bani Gambhir, expects India's GDP growth to remain resilient at 7.6 per cent in FY27, before normalising to 7 per cent in FY28 and FY29, supported by robust investment activity and a sustained capex upcycle.

The report found that consumption trends remained uneven, with urban demand holding up on the back of resilient auto sales and retail credit, while rural demand faced headwinds from adverse weather conditions, weaker farm incomes and higher inflation.

"Inflation is expected to remain elevated at around 6 per cent in the first half of CY27, before easing to 4.4 per cent in the second half. Morgan Stanley expects CPI inflation to average 5.3 per cent in FY27, moderating to 4.7 per cent in FY28," it said.

With inflation breaching the upper level of the targeted range, there is a possibility of another round of rate hikes next month when the Monetary Policy Committee meets to review the policy rate.

businessline – 17.11.2026

India, Oman to review CEPA progress at joint committee meet in December

Amiti Sen
New Delhi

India is set to review bilateral trade relations with Oman at a joint committee meeting in New Delhi in early December, six months after the India-Oman Comprehensive Economic Partnership Agreement (CEPA) came into force, sources said.

"This will be the first meeting of the joint committee after the implementation of the India-Oman CEPA in June this year, and will give an opportunity to Indian exporters to flag concerns related to the implementation of the free trade pact and seek solutions," an industry source told *businessline*.

The 12th India-Oman Joint Committee Meeting (JCM), to be held on December 2-3, is expected to be chaired by Commerce & Industry Minister Piyush Goyal and his Omani counterpart, the source added. The Commerce Department has reached out to industry representatives to identify specific problems encountered by Indian companies while exporting to Oman and suggest possible solutions.

The exercise is aimed at compiling issues that could be raised during the bilateral discussions. The India-Oman CEPA, signed in December 2025, came into force on June 1. "While the agreement provides substantial tariff concessions to Indian exporters, its implementation will require attention to procedural and regulatory issues that can affect the actual utilisation of preferential market access," the source said.

Under the CEPA, Oman has offered zero-duty access to Indian goods covering 98.08 per cent of its tariff lines and 99.38 per cent of India's export value. This is expected to improve the competitiveness of Indian products in the Omani market, particularly in textiles, apparel, engineering goods, pharmaceuticals, processed food, marine products and gems and jewellery.

India and Oman have been seeking to expand their economic engagement beyond merchandise trade, with the agreement covering services, investment, professional mobility and regulatory cooperation. Bilateral trade stood at $11.18 billion in FY26, compared with $10.61 billion in FY25.

IMMEDIATE PRIORITY

India's exports to Oman in FY26 were valued at $4.02 billion while imports were at $7.16 billion.

"For Indian exporters, the immediate priority will be to ensure that the preferential access negotiated under the CEPA translates into practical benefits on the ground, particularly for smaller businesses that may find it difficult to navigate procedural and compliance requirements in overseas markets," the source said.

Indian agriculture showing resilience to extreme weather & El Nino, says ICAR chief

Vishwanath Kulkarni
Bengaluru

Indian agriculture is showing greater resilience to climate-related challenges, including El Niño, with improved technology, better preparedness and greater farmer awareness helping cushion the impact of adverse weather conditions, said ML Jat, Director-General of the Indian Council of Agricultural Research (ICAR), the country's apex agricultural research body.

"We are still assessing the impact of El Nino. We have observed some effect on certain States and crops, but a comprehensive assessment is still underway," Jat told *businessline*. States such as Karnataka, Telangana and Tamil Nadu had reported some crop losses, while Punjab and Haryana had recorded an increase in productivity, he said.

Pigeon pea production in Karnataka and finger millet (ragi) cultivation in some pockets had been affected. While rice acreage had declined in certain regions, productivity had improved in some States, with Punjab and Haryana recording higher yields than last year. He added that estimates were awaited to assess kharif crop productivity and overall production.

BETTER THAN OTHERS

"The impact has been localised to certain pockets. Compared with other countries experiencing El Nino effects, I think India is doing well. It is not a situation of panic as in the past, partly because we are better prepared," Jat said.

Citing his analysis, he said Indian agriculture had become more resilient over time. Unlike in the previous drought years, when foodgrain production recorded



India is better placed to tackle El Nino, aided by technology and farmer awareness

significant declines, agricultural output had continued to grow over the past decade despite recurring weather-related challenges.

"India's wheat production, for instance, crossed 120 million tonnes last year, despite concerns that high temperatures would hit output," he said.

STRONG PREPAREDNESS

The improvement reflects advances in agricultural science and technology, better climate information systems and stronger coordination between the Centre and the State governments to prepare for weather-related risks, Jat said. He added that nearly 3,000 climate-resilient crop varieties were now being cultivated.

"Since we learned a bit about El Nino, the level of preparedness at the Centre, with the States and at all levels, has been very strong," he said.

India's experience in dealing with El Nino had also improved preparedness at various levels, enabling the authorities to respond more effectively to crop losses. Greater farmer awareness and improved farm management practices had strengthened the sector's ability to cope with climate variability, he added.

"I think the country is well prepared to deal with such situations," Jat said, citing concerns over fertilizer supplies arising from the West Asia crisis as an example.

businessline – 17.11.2026

Third strong cyclone of season also heads to AP coast

Vinson Kurian
Thiruvananthapuram

The third powerful cyclone of the North-East monsoon season after Arnab and Murasu is bearing down on the Andhra Pradesh coast, with the deep depression over the Bay of Bengal expected to intensify into a very severe cyclone and make landfall by Thursday night.

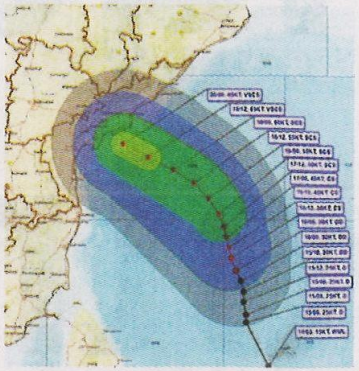
The system is forecast to undergo rapid intensification over the next three days. The India Meteorological Department (IMD) warned of heavy to very heavy rainfall at a few places, with isolated extremely heavy fall over coastal Andhra Pradesh and Yanam on Thursday and Friday.

The deep depression was nearly stationary early on Monday over the south-east and adjoining south-west Bay of Bengal. It was centred about 630 km east-northeast of Trincomalee in Sri Lanka, 680 km west-southwest of Sri Vijaya Puram in the Andaman and Nicobar Islands, 720 km east-southeast of Chennai and 820 km south-southeast of Visakhapatnam.

The IMD has forecast isolated heavy rainfall over Tamil Nadu, Puducherry and Karaikal for four days beginning Tuesday, coastal Andhra Pradesh and Yanam on Wednesday, Rayalaseema on Thursday and Friday and Telangana on Friday.

SEASON'S STRONGEST?

While the IMD's forecast points to intensification up to the very severe cyclonic storm category, the strength of the system remains uncertain.



The cyclone is expected to intensify and make landfall by Thursday night IMD

Google DeepMind projections continue to assign a 28 per cent probability of the cyclone intensifying further into an extremely severe cyclonic storm. If realised, it could rank among the three strongest cyclones over the north Indian Ocean so far this season.

The IMD has indicated further intensification beyond the severe cyclone stage but has not committed to an ultimate category or ranking.

The US Joint Typhoon Warning Centre (JTWC) assessed the surrounding environment as moderately favourable for further development. Strong upper-level outflow towards the west is providing ventilation to the developing storm, while warm sea surface temperatures of 29-30°C are supplying ample oceanic heat.

These favourable factors are, however, partly offset by moderate-to-high vertical wind shear of 20-25 knots.

Global forecast models broadly agree on a slow northward movement over the next two days, as the system consolidates, followed by a turn towards the north-west.

They differ, however, on how quickly the storm will organise. The US Global Forecast System (GFS) depicts a broader circulation and slower intensification, while the European Centre for Medium-Range Weather Forecasts (ECMWF) is more aggressive, projecting a tighter circulation and stronger development over the next two days.

The coming 48 hours will therefore be crucial in determining how efficiently the system organises and how much further it could intensify before closing in on the Andhra Pradesh coast.

businessline – 17.11.2026

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Business Standard – 17.11.2026

RBI may hike rates further by 50-75 bps: Economists

AATHIRA VARIER
Mumbai, 16 November

The Reserve Bank of India (RBI) is expected to raise the repo rate by another 50-75 basis points (bps), taking the terminal rate to 6-6.25 per cent in the current cycle, after retail inflation breached the central bank's upper tolerance limit of 6 per cent in October for the first time in two years, according to economists.

The six-member Monetary Policy Committee (MPC) is scheduled to meet from December 2 to 4.

Retail inflation, measured by the Consumer Price Index (CPI), rose to 6.09 per cent in October from 5.54 per cent in September, driven largely by a sharp increase in food prices. Food inflation accelerated to 8.94 per cent from 7.74 per cent during the same period. The October reading was also the highest since the introduction of the new CPI series, with 2024 as the base year.

While economists expect inflation to have largely peaked and moderate in the coming months, they believe price pressures will remain elevated, warranting further monetary tightening. The outlook remains clouded by higher food and energy prices, an unfavourable base effect and the possibility of an extended El Niño affecting agricultural output and food inflation.

In October, the MPC raised the repo rate by 25 bps to 5.50 per cent and shifted its stance from "neutral" to "calibrated tightening". The MPC had flagged supply-side risks to inflation from a deficient monsoon, ongoing El Niño conditions and elevated energy and commodity prices. It had indicated that the extent and duration of the rate hike cycle would depend on the broadening of underlying price pressures and the emergence of second-round effects from supply shocks.

Morgan Stanley expects another 25 bps rate hike at the December policy meeting, followed by similar increases in February and April 2027, taking the terminal rate to 6.25 per cent. "On monetary policy, we expect three additional rate hikes to a terminal rate of 6.25 per cent, lifting average real rates to 1.6 per cent in F28 versus 0.2 per cent in F27, keeping rates close to neutral," economists at Morgan Stanley said in a report.

Madhavi Arora, chief economist, Emkay Global Financial Services, also expects cumulative rate hikes of 75 bps in the current cycle. "Both headline and core inflation are likely to remain elevated in the second half of FY27 due to an unfavourable base as well as potential second-round effects of higher food and energy prices. A strong and extended El Niño adds risks for the upcoming rabi season and, therefore, for food inflation," Arora said.

To be sure, the recent retreat in crude oil prices had provided some comfort to Indian markets, along with large foreign portfolio investor inflows and reduced pressure on the domestic currency. However, inflation pressures were likely to remain elevated, with headline CPI expected to average 5.9 per cent over the next three quarters.

Brent crude prices have retreated sharply in recent weeks from over $117 per barrel to around $95 per barrel. Lower crude prices have provided some relief to India's import bill and inflation outlook.

Sajjid Chinoy, managing director and chief India economist at JP Morgan, also revised his expectation of the terminal repo rate to 6.25 per cent from 5.75 per cent, citing the persistence of retail inflation at or above the RBI's upper tolerance limit. "The combination of headline CPI staying at or above the 6 per cent upper band of the RBI's inflation target all the way till June 2027 and a clear firming and broadening of underlying inflation is expected to invoke urgency into the monetary tightening cycle. We now expect a terminal rate of 6.25 per cent (previously 5.75 per cent)," he said.

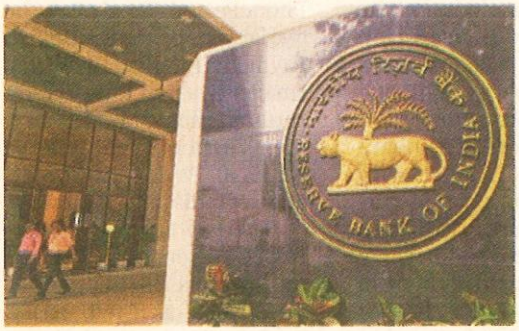
While the baseline expectation is for the RBI to raise rates by 25 bps at each of its next three meetings in December, February and April, Chinoy said there was a "non-trivial risk" of a 50 bps hike in December if inflationary risks intensified.

Foreign investors have also returned to domestic markets, with inflows into both debt and equities helping ease pressure on the rupee. FPIs resumed buying of Indian government securities in November after being net sellers for three consecutive months, while equity inflows also picked up. However, uncertainty over the timing of a possible US-Iran agreement and the risk of stronger El Niño conditions remain concerns for the inflation outlook.

Barclays, meanwhile, expects the terminal repo rate to settle at 6 per cent, with a 25 bps hike in December followed by another 25 bps increase in February 2027. "We expect a 25 bps rate hike by the MPC in its December meeting, followed by a terminal 25 bps hike in February, taking the repo rate to 6 per cent," economists at Barclays said in a report.

Projections

Expected changes in repo rate (in basis points)



Institution	Dec 2026	Feb 2027	Apr 2027
Morgan Stanley	25	25	25
Nomura	25	hold	hold
IDFC First Bank	25	25	Maybe 25
SBI	25	25	-
HDFC Bank	25	25	NA
Emkay	25	25	-
Yes Bank	25	25	25 bps possibility
Barclays	25	25	-
CareEdge	25	NA	NA
Bank of Baroda	25	NA	NA
JP Morgan	25	25	25

Source: Economists, compiled by *Business Standard*

Business Standard – 17.11.2026

Wholesale prices rose 12.29% in Oct on fuel & power spike

HIMANSHI BHARDWAJ
New Delhi, 16 November

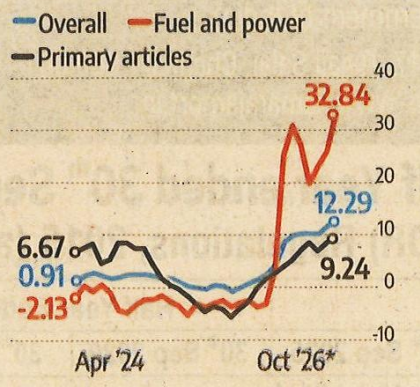
Wholesale price inflation rose to 12.29 per cent in October from 11.39 per cent in September, marking the highest rate in the current 2022-23 series. The surge was led by a sharp jump in fuel and power prices and an adverse base effect, according to data released by the Ministry of Commerce and Industry on Monday. The all-commodities index rose to 113.3 in October from 112.5 in September, a month-on-month increase of about 0.7 per cent. The index stood at 100.9 in October 2025.

The data comes days after India's retail inflation—measured by the Consumer Price Index (CPI) — rose to a two-year high of 6.09 per cent in October, breaching the Reserve Bank of India's (RBI's) upper tolerance limit of 6 per cent. The rise in retail inflation was led by food prices.

The RBI's Monetary Policy Committee (MPC) is widely expected to raise interest rates by another 25 basis points (bps) at its December 2-4 meeting.

Price pressure

WPI inflation (in %)



Base year: 2022-23; *provisional
Source: DPIIT

The ministry also released India's goods output producer price index (PPI), where the index rose to 113.3 from 112.5, taking PPI inflation also to a series high of 12.07 per cent from 11.39 per cent in September.

The prolonged West Asia crisis continued to drive fuel and power inflation, which rose to 32.84 per cent in October from 25.85 per cent in September, the highest since at least April 2024. It accounted for 83 bps of the 90 bps uptick in the headline print. Electricity inflation turned sharply positive at 8.06 per cent, from -0.43 per cent in September, amid buoyant demand conditions.

Inflation in crude petroleum and natural gas rose to 70.8 per cent from 57.32 per cent. Higher inflation was also observed for coal at 10.5 per cent in October from 9.3 per cent in the preceding month.

Further, primary articles inflation rose to 9.24 per cent from 8.67 per cent, the highest in 31 months. Food articles inflation under this segment edged up to 8.26 per cent from 8.14 per cent, a 22-month high.

The Wholesale Price Index (WPI) food index, which combines food articles and manufactured food products, eased marginally to 8.58 per cent from a 23-month high of 8.66 per cent in September.

While wholesale inflation is not actively considered for formulating monetary policy, economists said the October print adds to the case for further rate hikes by the RBI.

Pranjal Ghate, economist at Brickwork Ratings, said the data reinforces a further 25 bps repo rate hike to 5.75 per cent, followed by a pause.

"The sharp rise reinforces the inflationary concerns already reflected in elevated retail inflation readings. As a result, a rate hike by the RBI in now looks almost certain," said Payal V Pandya, vice-president at Bajaj Broking Prive.

Additionally, inflation in manufactured products, which have a weight of 63.1 per cent in the index, eased to 9.54 per cent from the series high of 9.76 per cent in September.

Within manufacturing, seven sectors — including tobacco products, textiles products, and chemical products — saw double-digit inflation.

More on business-standard.com

Business Standard – 17.11.2026

80% fertiliser subsidy exhausted

SANJEEB MUKHERJEE
New Delhi, 16 November

The Centre has exhausted nearly 80 per cent of its fertiliser subsidy allocation of ₹1.84 trillion for 2026-27 (FY27), spending around ₹1.46 trillion by November 16, sources said. This is 86 per cent of the Budget Estimates (BE) of around ₹1.71 trillion, with nearly four-and-a-half months still remaining in the financial year.

The surge in subsidy expenditure has been driven largely by higher global prices of imported urea and phosphatic and potassic (P&K) fertilisers.

As of November 16, 2026, the Centre had spent around ₹1.46 trillion on fertiliser subsidies, a significant portion of which had gone towards subsidising imported urea, the sources said.

Against the re-appropriated allocation of around ₹44,001 crore for imported urea subsidy, the government had spent ₹43,245.55 crore, or 98.28 per cent, by November 16.

For subsidy on domestically produced urea, expenditure stood at ₹61,825.22 crore, or 71.36 per cent, against a reassessed allocation of ₹86,635 crore for FY27.

For P&K fertilisers, covering both domestic production and imports, the Centre had spent around ₹21,256.45 crore, or 76.24 per cent, against a re-appropriated allocation of ₹54,000 crore, the sources said.

In India, the government caps the retail prices of urea and, to some extent, di-ammonium phosphate (DAP). The difference between the actual cost and the retail price is paid to fertiliser companies as a subsidy to ensure that crop nutrients remain affordable for farmers.

Urea is sold at a fixed price of ₹267 per 45-kg bag, while DAP is sold at a controlled price of ₹1,350 per 50-kg bag.

International urea prices surged to nearly $947 per tonne on a free-on-board basis around May 2026, following the West Asia crisis, from around $447 per tonne at the start of the conflict in February. Prices subsequently fell to around $447 per tonne from July onwards.

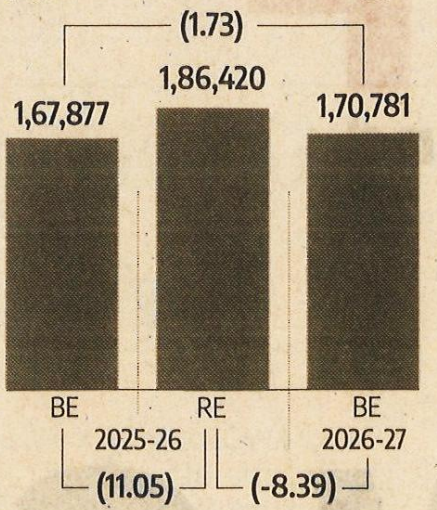
Data also shows that between October 2025 and October 2026, the average landed price of di-ammonium phosphate rose by around 18.34 per cent. Sulphur prices increased by around 142 per cent, while imported phosphoric acid prices rose by 35.14 per cent.

Last week, the Union government announced a sharp increase in per-kg subsidy rates under the nutrient-based subsidy regime compared with both the Kharif season this year and the Rabi season last year. The revised subsidy outlay totals around ₹62,370.02 crore, with sulphur receiving the steepest increase of more than 220 per cent.

Accounts book

Fertiliser subsidies (in ₹ crore)

(Figures in brackets denote % change)



Source: Budget documents