COTTON ASSOCIATION OF INDIA

Established 1921

ISO 9001:2015

News Relating to

Cotton and Textile Sector

COTTON ASSOCIATION OF INDIA

Date-18-09-2026

COTTON ASSOCIATION OF INDIA

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

COTTON ASSOCIATION OF INDIA
Established 1921
ISO 9001:2015

Mumbai, Friday 18th September 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	14847	52800	-800
2	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	15%	20	13638	48500	(-300)
3	P / H / R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	17969	63900	(-1400)
4	M/M(P) /SA/TL/GUJ	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	16169	57500	(-700)
5	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	17884	63600	(-700)
6	P/ H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	17997	64000	(-1400)
7	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18615	66200	(-700)
8	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18222	64800	(-500)
9	GUJ	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18812	66900	(-600)
10	R(L)	ICS-105	Fine	28mm	3.7 – 4.9	4.0%	27	18250	64900	(-1000)
11	R(L)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	18784	66800	(-600)
12	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	18868	67100	(-700)
13	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	18643	66300	(-500)
14	GUJ	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	18953	67400	(-600)
15	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	19206	68300	(-700)
16	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	19122	68000	(-300)
17	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	19459	69200	(-600)
18	SA/TL/K/TN/O	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	N.A.	N.A.	
19	SA/TL/K/TN/O	ICS-106	Fine	32mm	3.5 – 4.9	3%	31	N.A.	N.A.	
20	M/M(P)	ICS-107	Fine	34mm	2.8 - 3.7	4%	33	25730	91500	(-1000)
21	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	26152	93000	(-500)
22	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	26152	93000	(-1000)
23	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	26855	95500	(-500)

Note:1	Official spot rates are fixed and registered by CAI on the basis of average price inclusive of spot brokerage as per respective State Dharas, and for 15 days credit from the date of passing and cash discount @ 15% per annum, except for Northern area (excluding Lower Rajasthan), in which case spot rates fixed and registered are for payment terms: 7 days from the date of pressing at Upcountry Spot Markets ex-gin, excluding Tax. These rates are for domestic transaction only
2	P/H/R(U) ICS-202 (SG) rate is lower by Rs. 1000/ pc than Sr. no. 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 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. 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: 17-09-2026

ICE COTTON CLOSE					17 Sep 2026	
CONTRACT MONTH	OPEN	HIGH	LOW	SETTLE	CHANGE	Op. Int.
Cotton (CT) - Quote: Cents/Pound - Contract Size: 50,000 Pounds.						
Oct-26	78.23	78.41	78.23	78.41	▼2.03	86
Dec-26	84.20	84.36	82.12	82.17	▼2.19	1,82,512
Mar-27	86.89	86.89	84.77	84.81	▼2.08	92,565
May-27	88.18	88.26	86.27	86.31	▼2.04	48,427
Jul-27	87.95	87.96	86.16	86.25	▼1.79	25,813
Oct-27	79.36	79.36	79.29	79.29	▼0.36	36
Dec-27	79.01	79.01	78.36	78.43	▼0.54	30,454

Cotlook Index: 17-09-2026

94.35 (-0.25)

21 Cotton Testing Labs to Be Modernized in India Under ₹38.72 Crore Project

Thursday, 17th Sep 2026, Yash Chouhan, (Source: www.smartinfoindia.com)

21 cotton testing labs in India to be modernized, ₹38.72 crore project

New Delhi: Amid efforts to make India a global cotton and textile hub, the central government is working to modernize cotton fiber testing facilities in the country.

According to two government officials, the Bureau of Indian Standards (BIS) is accelerating the process of modernizing 21 labs located in major cotton-producing regions.

Under this project worth approximately ₹38.72 crore, these labs will be equipped with modern testing equipment. These will be used to assess the quality and impurities of cotton fiber.

Under this project, which is being overseen by the Consumer Affairs Department, labs operated by the Textiles Committee, Powerloom Service Centers, and the Cotton Corporation of India (CCI) will be upgraded.

This initiative aims to strengthen the testing capacity and quality assessment infrastructure for cotton fiber in India. Modern testing facilities will help in more effectively assessing cotton quality.

The government is focusing on making India's cotton and textile sectors more competitive globally. Modernizing testing infrastructure is part of efforts to strengthen Indian cotton quality and textile exports.

Cotton Procurement Begins in Jamthi Maharashtra, First-Day Price Reaches ₹8,101 per Quintal

Friday, 18th Sep 2026, Yash Chouhan, (Source: www.smartinfoindia.com)

Cotton procurement begins in Jamthi, Maharashtra; price of ₹8,101 per quintal recorded on day one

Private traders have commenced cotton procurement in Bodwad, Jamthi, and surrounding areas. Crop conditions have deteriorated due to heavy rainfall over the past few days, and the cotton crop is not yet fully ready in many farmers' fields. Farmers are struggling to save their crops amidst these challenging circumstances, yet they remain hopeful that cotton prices will be favorable this year.

Meanwhile, procurement by private traders began in Jamthi. On the first day, Santosh Dhangar, a farmer from Yevti, arrived to sell 50 kg of cotton.

Upon the arrival of the season's first cotton in Jamthi, private trader Jitendra Gurubhaiya and Devidas Patil (a driver for the Agriculture Center) honored farmer Santosh Dhangar by presenting him with a shawl and a coconut.

The price of cotton on the first day stood at ₹8,101 per quintal.

ICE cotton plunges as weak demand, harvest pressure weigh

Friday, 18th Sep 2026, (Source: www.fibre2fashion.com)

Insights ICE December 2026 cotton settled at 82.17 cents per pound, down 2.60 per cent, losing 605 points over five sessions. US Upland sales fell 30 per cent below the four-week average, while shipments were 26 per cent lower amid weak export demand. Harvest pressure, a stronger dollar, softer crude oil and high open interest kept futures under pressure as traders assessed US crop yields.

ICE cotton futures fell sharply yesterday, extending their decline for a fifth consecutive session as weak export demand, advancing US harvest pressure and a broadly negative commodity environment continued to weigh on the market. The decline accelerated despite futures already being heavily oversold.

The most active December 2026 contract settled at 82.17 cents per pound, down 2.19 cents, or 2.60 per cent. It traded as low as 82.12 cents, its lowest level since August 5.

December cotton lost 605 points over five consecutive sessions. Since reaching a contract-high close of 93.14 cents on August 31, the contract has closed lower in 10 of the past 12 sessions and declined by a cumulative 1,097 points, or 10.97 cents. The fall erased approximately 60 per cent of the gains accumulated since mid-June.

Most contracts across the futures board also weakened, settling between 19 and 208 points lower. Only the four most distant contracts managed to close around five points higher.

Trading activity increased sharply during the sell-off. Total volume surged to 80,969 contracts, the highest in nine sessions, compared with 40,922 contracts in the previous session. The rise showed that the steep decline attracted substantially greater market participation rather than occurring in thin trade.

Open interest (OI) also remained exceptionally high. OI began the session at 381,776 contracts, up 1,570 contracts from the previous report and representing the fifth-highest level recorded in ICE cotton.

The combination of falling prices and rising OI suggested that traders were adding positions as the market declined rather than the fall being driven entirely by liquidation. Subsequent OI data and the Commitment of Traders report may provide greater clarity on whether speculative funds increased short positions or whether other positioning contributed to the rise.

The latest US Department of Agriculture weekly export-sales report added to the bearish sentiment. For the week ended September 10, total net sales amounted to 85,677 bales, comprising 77,391 bales of Upland cotton and 8,286 bales of Pima.

Vietnam was the leading buyer with 28,169 bales, followed by Guatemala with 19,610 bales and Pakistan with 7,904 bales. Current-marketing-year US Upland sales were reported at 71,231 bales, down 4 per cent from the previous week and 30 per cent below the four-week average. Sales for the next marketing year totalled around 6,160 bales.

Export shipments reached 146,151 bales, comprising 142,076 bales of Upland and 4,075 bales of Pima. Shipments were approximately 20 per cent lower than the previous week and 26 per cent below the four-week average. Shipments to China were limited to 24,437 bales.

The weaker export performance reinforced concerns that demand may not be strong enough to absorb increasing supplies from the incoming US crop. With harvesting progressing, traders are increasingly assessing whether physical demand can keep pace with the expected rise in new-crop availability.

Seasonal harvest pressure has also become a more important market factor. As additional cotton enters the physical market, increased availability can reduce mills' urgency to purchase and place further pressure on futures prices.

Outside markets remained unfavourable. A stronger US dollar made dollar-denominated cotton more expensive for overseas buyers, potentially weakening the competitiveness of US cotton in international markets.

Lower crude oil prices also reduced support from the polyester-substitution channel. Falling oil prices can lower polyester production costs and make the synthetic fibre more competitive against cotton. Weakness in corn, soybeans and the broader commodity complex added to the negative risk environment.

The market is now facing three simultaneous pressures: weak export demand, increasing harvest availability and exceptionally high open interest. Although December cotton had already fallen nearly 11 cents from its August 31 high, the surge in trading volume indicated that the correction remained active.

Weather conditions and actual harvest results could become increasingly important at current price levels. Any evidence that the US crop is smaller than expected could eventually counterbalance the weak demand picture and provide support to futures.

Overall, ICE cotton remained under intense pressure from disappointing exports, advancing harvest activity, a stronger dollar and softer crude oil prices. December 2026 cotton settled at 82.17 cents, down 605 points over five sessions and 1,097 points from its August 31 high. The market will now closely monitor the COT report, weekly export sales, harvest progress and actual US crop yields.

This morning (Indian Standard Time), December 2026 cotton was trading at 82.32 cents per pound, up 0.15 per cent. Cash cotton rose 2.98 per cent to 79.67 cents, while the October 2026 contract fell 2.03 per cent to 78.41 cents. March 2027 was at 84.99 cents, up 0.18 per cent; May 2027 was at 86.47 cents, up 0.16 per cent; and July 2027 was at 86.33 cents, up 0.08 per cent.

ITMF names winners of 2026 International Collaboration Awards

Friday, 18th Sep 2026, (Source: www.fibre2fashion.com)

Insights ITMF has named HeiQ and Archroma and Lenzing and Armedangels as winners of its 2026 International Collaboration Awards, recognising textile partnerships aligned with the UN Sustainable Development Goals. The winners will present projects on scaling innovation and sustainable collaboration at the ITMF and IAF Conference in Fortaleza, Brazil, October 14–15.

The winners of the ITMF International Collaboration Awards 2026 will present their project at the upcoming ITMF & IAF Conference 2026 which will be held from 14 - 15 October 2026 in Fortaleza, Brazil and will be co-hosted by ABIT (Brazilian Textile & Apparel Industry Association).

The objectives of the ITMF International Collaboration Awards are to recognise progress in the area of international collaboration in the textile industry according to the values of the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development.

The 2 winners of the ITMF International Collaboration Award 2026 are (in alphabetical order):

HeiQ and Archroma:
Project: Alone we Innovate. Together we Scale
Lenzing and Armedangels:
Project: The Power of Collaboration: Driving Innovation for a More Sustainable Textile Industry.

Bangladesh gas supply improves on higher LNG imports

Friday, 18th Sep 2026, (Source: www.fibre2fashion.com)

Insights Bangladesh's gas supply rose to 2,610 mmcfd on Tuesday, supported by 990 mmcfd of imported regasified LNG and 1,620 mmcfd from domestic gas fields. The improved supply is expected to ease pressure on industries, power plants and other gas-dependent consumers that have faced supply constraints, while helping meet the country's overall demand.

Bangladesh's total gas supply reached 2,610 million cubic feet per day (mmcfd) at noon on Tuesday, with imported regasified liquefied natural gas (LNG) accounting for nearly 38 per cent of the supply, according to the latest data from the Ministry of Power, Energy and Mineral Resources.

Domestic gas fields supplied 1,620 mmcfd, while regasified LNG contributed 990 mmcfd, helping supplement declining domestic production and meet overall demand.

The improved supply is expected to ease pressure on the country's gas distribution system, particularly for industries, power plants and other gas-dependent consumers that have faced supply constraints.

The supply figure highlights the growing role of LNG in supporting Bangladesh's gas network as domestic production declines and demand remains high.

Indian Rupee Falls 14 Paise to Close at 95.87 Against US Dollar.

Friday, 18th Sep 2026, Yash Chouhan, (Source: www.smartinfoindia.com)

The Indian rupee weakened by 14 paise against the US dollar on Friday, closing at ₹95.87 per dollar. The domestic currency opened at ₹95.73 against the US dollar and fluctuated throughout the trading session. It eventually closed at ₹95.87, down 14 paise from the opening level.
At the 3:30 pm post-CAS close, the Sensex fell 20 points to 74,294.96, while the Nifty gained 75.80 points to 23,346.40. Market breadth remained strong, with 2,531 shares advancing against 1,452 declines.

REGISTER Now

COTTON ASSOCIATION OF INDIA
Established 1921
ISO 9001:2015

Cotton Association of India

cordially invites you to

Cotton India 2026-27

COTTON INDIA 2026-27

STRENGTHENING INDIA'S COTTON
5F VISION
Farm • Fibre • Factory • Fashion • Foreign

on Thursday & Friday

29th & 30th October 2026

VENUE

Hotel Sahara Star,

Sapphire Ballroom,

Opp. Domestic Airport, Vile Parle (East),
Mumbai 400 099

Register Now: https://caionline.in/conference/

The Economic Times – 18.09.2026

US Tariff Threat Puts Exporters on the Edge

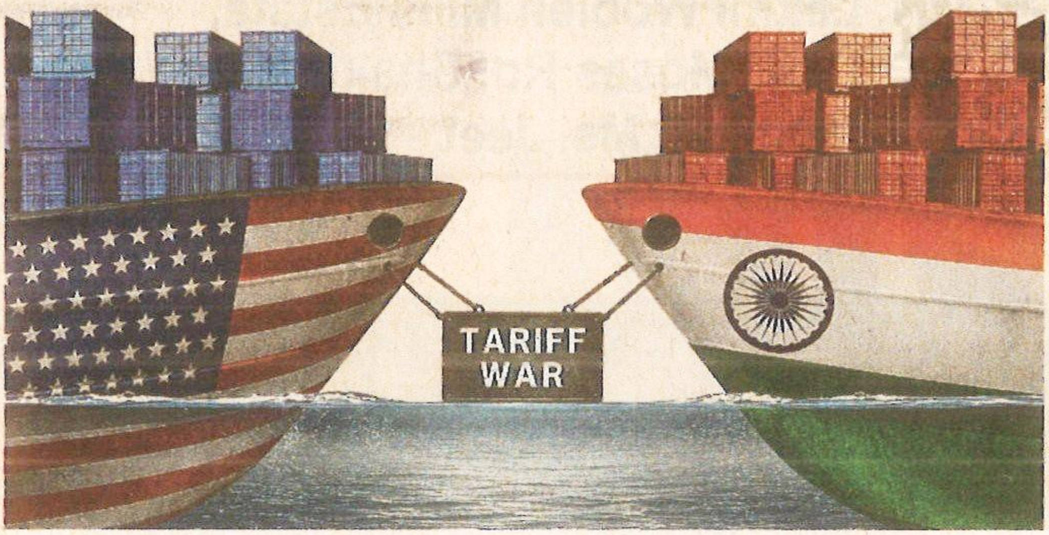
Kirtika Suneja

New Delhi: The impact of potential new tariffs on Indian exports under the US' Lindsey O Graham Sanctioning Russia and Iran Act can be assessed only after Washington announces the actual levies, product coverage and implementation timetable, said trade watchers.

The US Congress passed the Act Wednesday allowing sanctions on Russia's crude exports and tariffs of up to 100% on India, China, and other major buyers of Russian energy. The bill will now be sent to US President Donald Trump for his assent.

Experts cautioned that Washington can weaponise the new Act for an unequal trade agreement with India and can still take future action under Section 301, sectoral measures or other trade laws against New Delhi, similar to its moves against the EU, Japan and South Korea. "This is a cause of concern as it adds to uncertainty," said Ajay Sahai, director general, Federation of Indian Export Organisations (FIEO). "It also raises questions at the viability of those exports which are subject to 100% tariffs."

Apparel Export Promotion Council chairman A Sakthivel said the law is a tool with the US to pressure India to reduce tariffs on American goods. Exporters said some front loading of shipments may happen if the tariffs are actually imposed. "We are monitoring the situation," said an official. Sanjay K Jain, managing director at TT Ltd, said the law gives leverage and legislative backing to Washington to impose tariffs. "However, the US is facing high inflation, and any such move will add fuel to fire besides causing uncertainty," he said. Think-tank GTRI cautioned that the US will now proceed to threaten India with tariffs of up to 100% and eventually offer a lower rate if New Delhi cuts Russian oil purchases and accepts concessions under a deeply unequal bilateral trade deal.



The Economic Times – 18.09.2026

80% Steel Exports Get EU Tariff Cover Under FTA

Our Bureau

New Delhi: India has secured a country-specific tariff-rate quota of 1.9 million tonnes annually for steel exports to the European Union and the government expects exporters to secure another 0.9 mt through residual quotas, taking the total to 2.8 mt, an official said on Thursday.

This would potentially ensure that over 80% of the country's steel exports to the bloc, which stood at 3.0 mt in the last fiscal, will remain under the free trade agreement (FTA) at a time when the EU has tightened restrictions on steel imports. The government is also in talks with the EU on issues related to carbon pricing under the Carbon Border Adjustment Mechanism (CBAM), the official said. Indian exporters started availing the quota from July 1, when the EU's Steel Overcapacity Regulation came into effect, the person said.

The regulation, aimed at protecting the EU's steel industry against global overcapacity, limits free-of-duty imports at 18.3 mt a year, and imposes a 50% duty on imports beyond the available quota. The quotas cover a gamut of steel products, including stainless steel, pipes and tubes, non-alloy and alloy hot-rolled sheets and strips, cold-rolled sheets, and organic-coated.

For product categories where India does not have a country-specific quota, it will have access to residual quotas, including general residual quotas which are open to eligible trading partners and preferential quotas reserved for EU FTA partners. "We have safeguarded 80% of our exports to the EU," the official said. "However, duty-free access will not mean cost-free entry," the person added, noting that the CBAM will apply to Indian steel "both within and outside the quota. According to think tank GTRI, "When fully phased in, the carbon charge could average about 35%." The European Commission has submitted proposals to the EU Council concerning the signing and conclusion of the FTA. The government expects the European Parliament approval process to complete by March 2027 after which the agreement would move towards operationalisation, subject to completion of the remaining procedures.

Steely Resolve

India secures annual TRQ of **2.8 mt** for steel exports to EU

Quota covers over **80%** of India's steel exports to the EU, shipments within quota are duty-free

EU front-loaded steel FTA gains to India in July

EU Steel Overcapacity Regulation, effective July 1

CBAM VERIFICATION

India is working with the EU to build domestic capacity for CBAM verification, including recognition of at least 10 Indian verification agencies, with six applications already submitted, the official said. "We have asked for faster approvals," he said, adding that India wants exporters to have access to verification agencies domestically. The move is aimed at ensuring that Indian exporters have sufficient domestic verification capacity to provide the emissions documentation required under CBAM, rather than having to depend on a limited pool of overseas agencies. India is also working on its Carbon Credit Trading Scheme (CCTS) and discussing carbon pricing with the EU, the official said. "CBAM is levied on everyone. If our exporters are competitive, it won't make us uncompetitive," the official said. The government is also monitoring any expansion of CBAM to additional products. "If they add more goods in CBAM, we will see," the official said.

businessline – 18.09.2026

BIS to upgrade labs across cotton-producing States

Mumbai: The Bureau of Indian Standards (BIS) on Thursday announced a ₹38.72-crore project to modernise and upgrade 21 laboratories across key cotton-producing States. The BIS is providing direct financial support to establish high-precision testing facilities in critical regional nodes, according to an official statement. These laboratories are geographically distributed across the northern, central, southern and eastern zones. PTI

businessline – 18.09.2026

GST Council may take up issues on merchant discount rates, ITC eligibility

Shishir Sinha
New Delhi

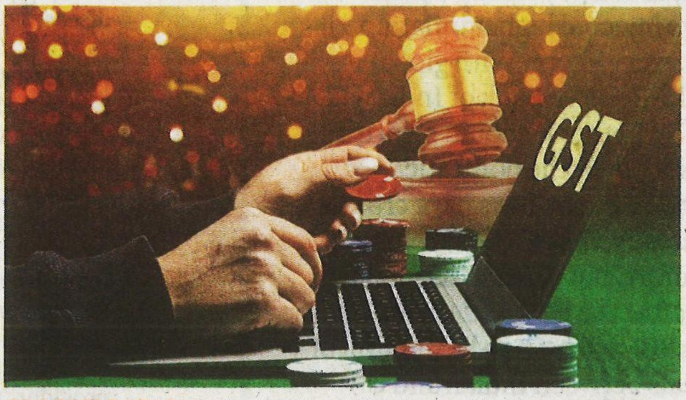
The government on Thursday said issues with GST on merchant discount rates (MDR) could be taken up by the GST Council.

Meanwhile, the Central Board of Indirect Taxes & Custom (CBIC) has said that GST-registered merchants will be permitted full set-off of GST paid on MDR.

As MDR is a financial service, the GST rate is 18 per cent, and it must be paid to the bank. However, according to a senior official of the CBIC, this can be used for final tax dues.

"GST on MDR charged by the bank from the merchant will be available as ITC (input tax credit) to the merchant," the official told *businessline* However, this will be available to regular GST assessees only. This means that merchants who use the composite scheme and non-registered assessees will not be able to set off the GST paid. Still, there could be relief for them.

"If there is a problem, the GST Council could take a call as it is the final authority on GST issues," a government official said. However, he was non-committal on whether the Financial Services Department would take up the proposal at the GST Council meeting scheduled on October 7.



CLARIFICATION. The GST on MDR charged by the bank from the merchant will be available as ITC, says the CBIC

EXPERT TAKE

Meanwhile, experts said allowing merchants to claim ITC on the 18 per cent GST charged on the MDR significantly lowers their overall tax burden and keeps the effective transaction cost minimal for GST-registered businesses. "For organised B2B merchants, the impact is financially neutral. The 18 per cent GST levied on the 0.4 per cent MDR functions as a passing friction because these entities seamlessly claim ITC to offset their output tax liabilities, keeping their credit value chains intact," said Sivakumar Ramjee, Executive Director-Indirect Tax, Nangia Global.

However, the problem is that the relief is not uniform. "Merchants who are fully GST-registered and able to utilise their credit smoothly will find this largely cost-neutral. But merchants who are unregistered will not get this relief at all. For them, that GST would sit as a straight addition to the MDR, making digital acceptance costlier. As more merchants formalise and register under GST, this relief naturally extends further, supporting the broader shift toward digital payment adoption," said Ikesh Nagpal, Lead- Indirect Tax, AKM Global.

PRACTICAL CHALLENGE

Also, big merchants have some doubts. According to SR Patnaik, Partner (Head - Taxation) at Cyril Amarchand Mangaldas, the practical challenge could arise when multiple entities such as banks, payment aggregators and NPCI are involved in the payment chain; NPCI may not have the merchant's GSTIN, and the merchant does not receive a tax invoice from the entity actually charging the MDR. Any delay or mismatch in reporting could defer or disrupt the merchant's ITC, effectively converting what is intended to be a creditable tax into a temporary or, in certain circumstances, a real cost.