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PRESIDENT'S DESK

Strengthening India's Cotton Value Chain: A Policy Perspective for Sustainable Growth and Global Competitiveness

Cotton holds a unique position in India's economy, linking agriculture, industry, and global trade. It supports the livelihoods of millions of farmers, provides raw material to one of the country's largest manufacturing sectors and contributes significantly to employment generation and foreign exchange earnings. With a $100 billion textile export target by 2030 and new FTAs in place, there is a pressing need to strengthen the entire cotton value chain through well-coordinated policy interventions.

The priority is enhancing farm productivity. Despite having the world's largest acreage, India's yields trail competing nations. Promotion of drip irrigation can boost water-use efficiency, cut monsoon risk, and enhance yields while conserving scarce water resources. Access to certified quality seeds through regulated channels is vital to curb spurious seeds and unlock genetic potential. Structured farmer training on agronomy, nutrient management, pest control, contamination prevention, and harvesting is critical to close lab-to-field gaps.

Rising climate risks, pest attacks, and weather uncertainty demand stronger crop insurance for financial protection. A balanced regulatory environment must encourage eco-friendly seed innovation for higher productivity, better fibre quality, and resilience. Subsidising quality seeds will directly promote productivity enhancement and reduce the financial burden associated with adoption of improved technologies.

....to be continued

El Niño, Weak Sowing and Fuel Shock: A Double Stress Test for India's Cotton and Textile Economy

EXPERT'S COLUMN

Shri. Manish Daga
President & Coordinator of All India Cotton FPO Association

Shri. Manish P. Daga, President & Coordinator of All India Cotton FPO Association, is a Textile Technologist and Marketing expert with over 33 years of experience in the Agro and Textile Industry. He is currently the Prime Farmer representative in Textile Advisory Group (TAG), formed jointly by Textile & Commerce Ministry, Agriculture Ministry and important stakeholders in cotton value chain. He is a Director of Cotton Association of India (CAI), Chairman of ICC Agro & Food Processing Committee and President of All India Cotton FPO Association. He is CEO of Cottonguru Maha FPO Federation and Managing Director of COTTONGURU® Group. He is a Managing Committee Member of Indian Fibre Society and Indian Society for Cotton Improvement. He is the first and only Indian to be registered as 'Chartered Valuer' specialising in cotton fibre, yarn and fabrics by the Institute of Valuers and Indian Institution of Valuers (India). He is also Editor of "COTTONGURU® Fortnightly Newsletter (published by Cottonguru Media)" which is circulated to over 10,000 textile companies, professionals, associations worldwide.

Cotton sowing is already lagging — and the risk now goes beyond the farm

India's cotton season is entering a dangerous phase. The revised sowing figures up to **12 June 2026** show all-India cotton sowing at **9.53 lakh hectares**, sharply below **13.19 lakh hectares** a year ago, a decline of **27.75%**. The stress is most visible in rainfed regions: **Maharashtra, Madhya Pradesh and Telangana were still at zero sowing** in the latest table, while Central India as a whole was down **51.31%** and the South Zone down **37.21%**. In contrast, Gujarat had moved up

All India Cotton Sowing				
As on 12-06-2026				
STATE	(Area in Lakh Hectare)			
	2026-27	2025-26	Change	
Punjab	0.790	1.190	-0.400	-33.61%
Haryana	3.090	4.300	-1.210	-28.14%
Rajasthan	3.700	4.240	-0.540	-12.74%
North India	**7.580**	**9.730**	**-2.150**	**-22.10%**
Gujarat	0.930	0.340	0.590	173.53%
Maharashtra	0.000	1.020	-1.020	-100.00%
Madhya Pradesh	0.000	0.550	-0.550	-100.00%
Central India	**0.930**	**1.910**	**-0.980**	**-51.31%**
Telangana	0.000	0.670	-0.670	-100.00%
Andra Pradesh	0.130	0.120	0.010	8.33%
Karnataka	0.640	0.470	0.170	36.17%
Tamil Nadu	0.040	0.030	0.010	33.33%
South Zone	**0.810**	**1.290**	**-0.480**	**-37.21%**
Orissa	0.000	0.000	0.000	
Uttar Pradesh	0.210	0.260	-0.050	-19.23%
All India	**9.530**	**13.190**	**-3.660**	**-27.75%**
Source :- Department of Agriculture & Farmers Welfare (UPAg) - Government of India				

to **0.93 lakh hectares**, but that alone cannot offset the weakness in the broader cotton belt reflected in the attached figures.

This matters because El Niño is no longer just a forecast risk. India Meteorological Department's June ENSO bulletin says **El Niño conditions are present over the equatorial Pacific and are expected to strengthen further during the southwest monsoon season**. At the same time, recent reporting on the monsoon says India has started the season with a **large rainfall deficit**, with IMD expecting improvement only last week of June.

For cotton, that is a serious warning. Rainfed cotton does not suffer only when total rainfall is low; it also suffers when rainfall is delayed, uneven, or followed by long dry gaps. In practical terms, this raises the risk of delayed sowing, patchy germination and costly re-sowing across key cotton states.

A second shock is building: energy and freight

The farm risk is being amplified by a second stress point — geopolitical disruption in West Asia.

The International Energy Agency has warned that disruption to oil and gas flows through the **Strait of Hormuz** and attacks on energy infrastructure have major implications for **energy security, affordability and the world economy**. The World Bank has also described the Hormuz disruption as a historic oil-market shock that sent prices sharply higher and tightened supply. In India, the RBI has flagged rising **fuel-price pressures** linked to the West Asia conflict, even though crude has recently eased from extreme panic levels.

This turns the current moment into a compound shock for India. On one side, El Niño threatens rainfall, sowing quality and cotton productivity. On the other, fuel and freight volatility raise costs across the economy — from transport and irrigation to logistics, power and petrochemical inputs.

Why the textile industry should worry now

For the Indian textile industry, this is not only a cotton story. It is a full value-chain risk.

If rainfall remains deficient and sowing stays delayed, the industry may face lower cotton availability, quality inconsistency and more volatile raw material prices later in the season. At the same time, higher crude and freight costs pressure margins in spinning, processing, garments and exports. Synthetic and blended textile chains are also vulnerable because polyester and related feedstocks move closely with crude oil. Industry reporting already points to margin pressure in India's polyester value chain from crude-linked feedstock volatility.

In other words, Indian textiles are being squeezed from both sides: **farm-side climate risk** and **industry-side energy risk**.

Cottonguru's view: this is the time to build hedges, not assumptions

The biggest mistake the industry can make is to assume that supply will somehow normalise on its own. That is no longer enough. The right response is to build stronger hedges — in supply, productivity and price.

Cottonguru's suggestions for the industry

1. The industry must build **stronger and more direct supply chains** rather than relying only on spot-market comfort. Closer engagement with FPOs, farmer groups and regional sourcing networks can improve visibility on acreage, weather risk and expected arrivals.

2. Mills and brands should begin **productivity-linked partnerships with FPOs and farmers**. Supporting better agronomy, seed quality, moisture management and field-level resilience can help improve yield stability and fibre quality over time. This is not charity; it is strategic raw-material security.

3. The industry should hedge **raw material risk structurally** by working with production-side partners, not only by reacting after prices move.

4. It should hedge **price risk on reliable exchanges**, especially in a season when both cotton and energy can remain volatile.

5. Finally, procurement strategy should become more diversified by geography, quality segment and timing, so that one weak monsoon phase or one geopolitical shock does not disrupt the entire sourcing plan.

Conclusion

India's cotton and textile economy is entering a season where climate risk and geopolitical risk are beginning to reinforce each other. Weak sowing, strengthening El Niño, high rainfall uncertainty, fuel volatility and freight pressure together form a serious warning signal.

This is not the year to take cotton supply, textile margins or farmer resilience for granted. The industry still has time to reduce damage — but only if it starts treating risk management as a core strategy, not as an afterthought.

(The views expressed in this column are of the author and not that of Cotton Association of India)

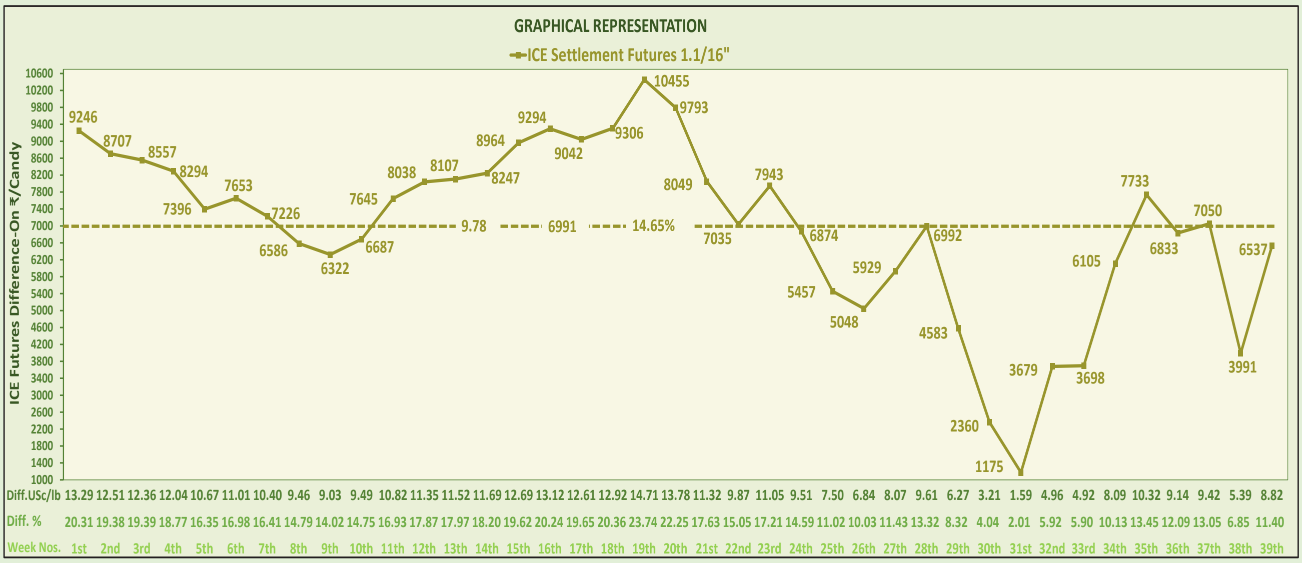
Basis Comparison of ICS 105 with ICE Futures – 29th June 2026

SEASON 2025-2026							
Comparison M/M(P) ICS-105, Grade Fine, Staple 29mm, Mic. 3.7-4.9, Trash 3.5%, Str./GPT 28 with ICE Futures							
Date	CAI (₹ /Candy)	Conversion Rate (US$ = ₹)	CAI (USc/lb.)	ICE Settlement Futures 1.1/16" Front Mth. Dec'26 (USc/lb.)	Difference-ON/OFF ICE Futures		
					USc/lb.	₹ /Candy	%
A	B	C	D	E	F	G	H
Cotton Year Week No-39th							
22nd Jun 2026	64200	94.68	86.49	79.41	7.08	5255	8.92
23rd Jun 2026	64200	94.73	86.44	78.73	7.71	5726	9.79
24th Jun 2026	64100	94.66	86.37	76.26	10.11	7503	13.26
25th Jun 2026	63900	94.40	86.34	76.97	9.37	6935	12.17
26th Jun 2026	63800	94.40	86.20	76.38	9.82	7268	12.86
Weekly Avg.	**64040**	**94.57**	**86.37**	**77.55**	**8.82**	**6537**	**11.40**
Total Avg. frm 1st Wk to 39th Wk (Weekly Basis)	**56613**	**91.69**	**78.66**	**68.88**	**9.78**	**6991**	**14.65**

Note:- Weeks taken as per Cotton Year (October To September).

Values in BLUE Indicates Previous Close Considered due to HOLIDAY's Resp.

26th June 2026 - RBI remain CLOSED due to Muharram (Yaum-e-Shahadath/Ashoora).



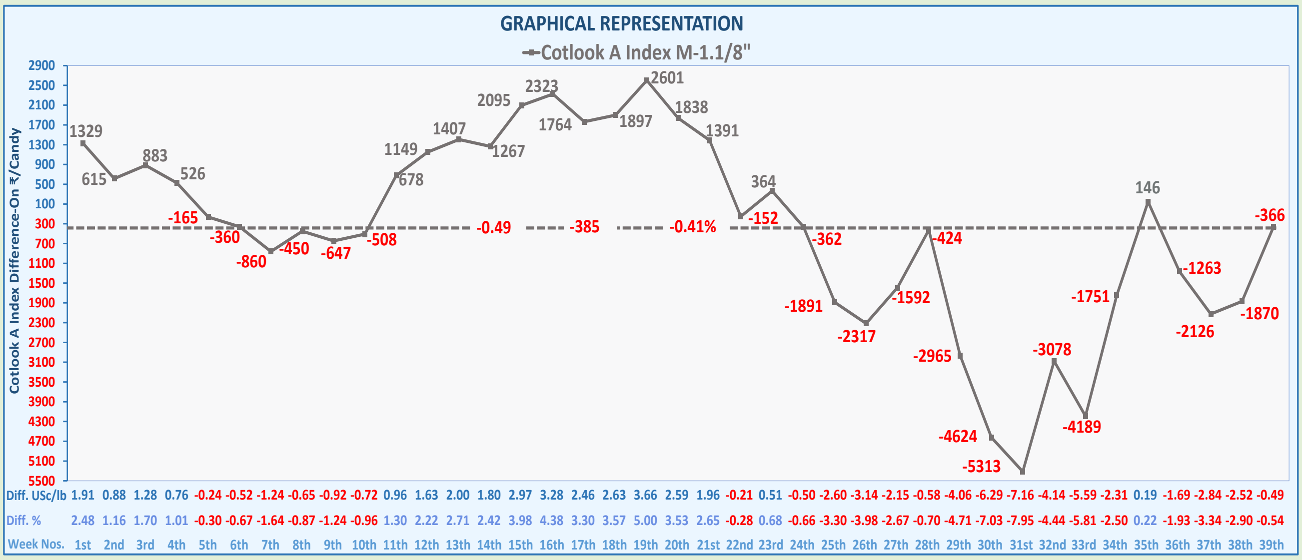
Basis Comparison of ICS 105 with Cotlook A Index – 29th June 2026

SEASON 2025-2026 Comparison M/M(P) ICS-105, Grade Fine, Staple 29mm, Mic. 3.7-4.9, Trash 3.5%, Str./GPT 28 with Cotlook A Index							
Date	CAI (₹ /Candy)	Conversion Rate (US$ = ₹)	*CAI (USc/lb.)	Cotlook A Index M-1.1/8" C & F FE Ports	Difference-ON/OFF Cotlook A Index		
					USc/lb.	₹/Candy	%
A	B	C	D	E	F	G	H
Cotton Year Week No-39th							
22nd Jun 2026	64200	94.68	86.69	88.60	-1.91	-1418	-2.16
23rd Jun 2026	64200	94.73	86.64	88.30	-1.66	-1233	-1.88
24th Jun 2026	64100	94.66	86.57	87.55	-0.98	-727	-1.12
25th Jun 2026	63900	94.40	86.54	85.05	1.49	1103	1.75
26th Jun 2026	63800	94.40	86.40	85.80	0.60	444	0.70
Weekly Avg.	**64040**	**94.57**	**86.57**	**87.06**	**-0.49**	**-366**	**-0.54**
Total Avg. frm 1st Wk to 39th Wk (Weekly Basis)	**56613**	**91.69**	**78.86**	**79.35**	**-0.49**	**-385**	**-0.41**

Note:- Weeks taken as per Cotton Year (October To September).

***Converted to C & F FE Ports by adding 20c/lb. to CAI spot rates.**

Values in BLUE Indicates Previous Close Considered due to HOLIDAY's Resp.
26th June 2026 - RBI remain CLOSED due to Muharram (Yaum-e-Shahadath/Ashoora).



ICAC – Organic Cotton at the Crossroads: Ideology, Evidence, and the Road Ahead

Organic cotton occupies one of the most contentious spaces in global agriculture. While praised by brands and consumers for its environmental ideals, it also faces persistent questions about yield stability, certification integrity, and scalability. The current edition of The ICAC Recorder cuts through the ideology to deliver a rigorous, evidence-based assessment of both sides of the debate.

This special issue, "A Global Research Review on Organic Cotton," is co-authored by ICAC Chief Scientist Dr Keshav R. Kranthi and Dr Sandhya Kranthi, who look beyond the extreme perspectives to focus on the facts. Rather than serving as a blanket defense of organic cotton or a dismissal of modern agricultural technologies, the authors evaluate decades of scientific literature covering the economics, environmental performance, certification vulnerabilities, and future trajectory of organic cotton production.

The Scale of the Shift

Organic agriculture remains a niche within global farming, but its footprint has expanded steadily. The review highlights that global organic farmland grew from approximately 14 million hectares in 2000 to 98.9 million hectares in 2023, representing 2.1% of all global agricultural land and involving more than 4.3 million certified organic producers.

Organic cotton has mirrored this momentum. Its share of global cotton production climbed from 1.08% in 2009 to approximately 2.8% in 2024. Over the past decade, production volume expanded nearly sixfold, rising from 112,483 tonnes in 2015 to 659,567 tonnes in 2024.

Core Themes Explored in the Review

- The Profitability Equation: Balancing lower input costs and organic price premiums against lower transition-period yields and certification expenses.
- Agronomic Realities: Navigating the vulnerabilities of organic systems, including pest pressure, weed management challenges, and limited organic-specific technological development.
- The Systemic Benefits: Documenting positive effects on soil health, biodiversity, ecosystem functioning, carbon sequestration, greenhouse gas mitigation, and reduced dependence on purchased agrochemicals.
- The Integrity Challenge: Addressing the critical role of verification, chain-of-custody systems, audits, and robust traceability in protecting consumer trust and market credibility.

Navigating the "Input Paradox"

The review highlights a fundamental paradox in modern sustainability: while organic farming was originally conceived as a holistic, soil-centered philosophy, many modern certification systems have evolved into input-based frameworks focused primarily on lists of approved and prohibited substances.

This tension has helped fuel rising interest in regenerative agriculture. Unlike organic farming, regenerative systems focus more directly on measurable outcomes — such as soil carbon, biodiversity, resilience, and ecosystem function — while often offering farmers greater flexibility in managing production risks.

The Road Ahead

Ultimately, the ICAC review argues that the future of sustainable cotton production may depend less on rigid divisions between "organic" and "conventional" systems, and more on which approaches deliver the outcomes that matter most: healthier soils, resilient farming systems, credible traceability, stable farmer incomes, and reduced environmental impact.

UPCOUNTRY SPOT RATES

(Rs./Qtl)

Standard Descriptions with Basic Grade & Staple in Millimeters based on Upper Half Mean Length As per CAI By-laws								Spot Rate (Upcountry) 2025-26 Crop June 2026					
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Gravimetric Trash	Strength /GPT	22nd	23rd	24th	25th	26th	27th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	4%	15	14369 (51100)	14341 (51000)	14229 (50600)	14172 (50400)	14116 (50200)	
2	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	15%	20	12260 (43600)	12176 (43300)	12176 (43300)	12035 (42800)	12007 (42700)	H
3	M/M (P)	ICS-104	Fine	23mm	4.5 – 7.0	4%	22	14622 (52000)	14622 (52000)	14622 (52000)	14622 (52000)	14622 (52000)	
4	P/H/R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	16338 (58100)	16338 (58100)	16338 (58100)	16141 (57400)	16141 (57400)	
5	M/M(P)/ SA/TL/GUJ	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	15016 (53400)	15016 (53400)	14960 (53200)	14904 (53000)	14904 (53000)	
6	M/M(P)/ SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	16169 (57500)	16169 (57500)	16141 (57400)	16085 (57200)	16056 (57100)	O
7	P/H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	17013 (60500)	16984 (60400)	16928 (60200)	16788 (59700)	16703 (59400)	
8	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	17491 (62200)	17491 (62200)	17462 (62100)	17406 (61900)	17378 (61800)	
9	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	16872 (60000)	16872 (60000)	16844 (59900)	16788 (59700)	16788 (59700)	L
10	GUJ	ICS-105	Fine	28mm	3.7 – 4.9	3%	27	17350 (61700)	17322 (61600)	17294 (61500)	17266 (61400)	17266 (61400)	
11	R(L)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	16816 (59800)	16731 (59500)	16731 (59500)	16591 (59000)	16591 (59000)	
12	R(L)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	17856 (63500)	17772 (63200)	17687 (62900)	17547 (62400)	17547 (62400)	
13	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	18053 (64200)	18053 (64200)	18025 (64100)	17969 (63900)	17940 (63800)	I
14	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	17631 (62700)	17491 (62200)	17434 (62000)	17378 (61800)	17378 (61800)	
15	GUJ	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	17912 (63700)	17884 (63600)	17856 (63500)	17828 (63400)	17828 (63400)	
16	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	18334 (65200)	18334 (65200)	18334 (65200)	18278 (65000)	18222 (64800)	D
17	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	17912 (63700)	17772 (63200)	17912 (63700)	17997 (64000)	17997 (64000)	
18	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	18559 (66000)	18559 (66000)	18559 (66000)	18559 (66000)	18559 (66000)	
19	SA/TL/K/ TN/O	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	18419 (65500)	18419 (65500)	18419 (65500)	18419 (65500)	18419 (65500)	A
20	SA/TL/K / TN/O	ICS-106	Fine	32mm	3.5 – 4.9	3%	31	N.A. (N.A.)	N.A. (N.A.)	N.A. (N.A.)	N.A. (N.A.)	N.A. (N.A.)	
21	M/M(P)	ICS-107	Fine	34mm	2.8 - 3.7	4%	33	23227 (82600)	23227 (82600)	23227 (82600)	23340 (83000)	23340 (83000)	
22	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	23368 (83100)	23368 (83100)	23368 (83100)	23480 (83500)	23480 (83500)	Y
23	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	24071 (85600)	24071 (85600)	24071 (85600)	24183 (86000)	24183 (86000)	
24	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	24211 (86100)	24211 (86100)	24211 (86100)	24324 (86500)	24324 (86500)	

Note: P/H/R(U) ICS-202(SG) is lower by Rs.1000/- pc than Sr. No. 4.
Note: Figures in bracket indicate prices in Rs./Candy