

Weekly Publication of



**Cotton
Association
of India**

COTTON STATISTICS & NEWS

Edited & Published by Amar Singh

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Cotton Exchange Building, 2nd Floor, Cotton Green, Mumbai - 400 033
Telephone: 8657442944/45/46/47/48 Email: cai@caionline.in
www.caionline.in



Conversation with Mr. Atul Ganatra, President, Cotton Association of India (CAI)

Interviewer :

Bhargav Pathak, Founder & Chief Editor, TextilesResources.com

***TextilesResources.com:** Give us an overview of Cotton Association of India, its main objectives and your vision.*

Mr. Atul Ganatra: The Cotton Association of India (CAI) is the apex body representing the entire cotton value chain – from farmers and ginners to traders, mills, and exporters. We promote fair trade, provide authentic crop and market data, and act as a bridge between industry and policy makers. CAI also supports better practices through guidance and regular outreach. Our vision is to make India not only the largest cotton producer but also the most respected for quality, reliability, and sustainability in the global market.

***TextilesResources.com:** What is your view about India's textile industry? Especially Cotton products. Current capacity, expansion possibility, challenges, potential etc.*

Mr. Atul Ganatra: India's textile industry, with cotton as its backbone, is one of the most vibrant and diverse in the world. We already have extensive spinning, weaving, and processing capacities with a strong domestic and export base. There is significant scope for expansion through modernization and branding initiatives. While challenges in productivity and international price competition exist, they are being steadily addressed by stakeholders. With focused efforts on skill building and quality enhancement, Indian cotton products are well

positioned to achieve a stronger premium status globally.

***TextilesResources.com:** Transparency, eco friendly, sustainability and traceability – how you define these terms with Cotton Association of India members?*

Mr. Atul Ganatra: For CAI members, transparency means sharing accurate data, ensuring fair pricing, and maintaining clarity in trade practices. Eco friendly reflects our drive toward practices that save resources and support a cleaner environment. Sustainability is about securing long term benefits for farmers and the industry; our training sessions for farmers and ginners have already made a positive impact across many cotton growing regions. Traceability is strengthened by working with TEXPROCIL, which offers the only authentic traceability solution in India, giving our cotton a verifiable identity from farm to fabric. Together with the premium branding of Kasturi Cotton, these steps are elevating the global image of Indian cotton.

***TextilesResources.com:** The world average of cotton crop is 800 kg per hectare and it is almost half in India, about 480 kg, thus the earning is also down, what about CAI's members and the farmers associated with CAI? And what is your strategy to upgrade?*

Mr. Atul Ganatra: Although India's yield is lower than the world average, CAI has been working

consistently to improve the situation for farmers connected with our members. Through focused training programs, we guide farmers and ginners on improved methods and better utilization of inputs, which leads to higher productivity and quality. When these efforts are linked with traceability and branding initiatives like Kasturi Cotton, farmers are able to secure better prices and market recognition. We also acknowledge the positive role of the Cotton Corporation of India (CCI), which not only safeguards farmers through Minimum Support Price operations but also undertakes large scale procurement which helps in maintaining stocks, and ensures that quality cotton is made available in the market on time. CCI's consistent presence in the market has given farmers confidence and has contributed immensely to the cotton sector.

TextilesResources.com: Your say about the various schemes, steps and vision of Ministry of Textile, GOI. Your opinion about Bharat Tex trade show.

Mr. Atul Ganatra: The Ministry of Textiles, Government of India, has taken several visionary steps to strengthen the cotton and textile ecosystem and its efforts have been both progressive and deeply impactful. Among the most significant initiatives is the Technology Mission on Cotton, which has now moved into an advanced phase known as TMC 2.0. This phase is focused on modernizing ginning and pressing factories with advanced machinery to ensure better lint quality and reduced wastage, promoting quality testing infrastructure so that Indian cotton can meet stringent international standards, and supporting farmers through training and extension services so that they adopt improved practices in picking, handling and storage. These initiatives also emphasize sustainable farming methods, creating long-term benefits for the entire value chain. The role of the Cotton Corporation of India (CCI) in implementing and supporting these measures has been exceptional. Through its procurement drives under the Minimum Support Price framework, CCI has been crucial in maintaining market stability.

In addition, the Ministry's encouragement for branding initiatives such as Kasturi Cotton Bharat reflects a forward looking approach that goes beyond production and focuses on positioning Indian cotton as a premium, traceable and sustainable brand in international markets. CAI has been actively involved in promoting Kasturi Cotton among its members and aligning testing and certification systems to meet these requirements. On the outreach front, the recently concluded Bharat Tex 2025 was a landmark event that showcased India's textile leadership on a global stage. A key highlight was the Masterclass on

"Branding of Indian Cotton – Conceptualization of the Kasturi Cotton Bharat Programme," where the CEO of CAI was one of the key speakers and shared insights on how branding and quality improvement can uplift India's profile in the world cotton market. Overall, the Ministry's schemes, the vision of TMC 2.0, the consistent and positive contribution of CCI, and the proactive initiatives of CAI together are shaping a future where Indian cotton will be globally recognized for excellence, reliability and sustainability.

TextilesResources.com: Any message for the industry professionals and viewers of Textilesresources.com

Mr. Atul Ganatra: To all industry professionals and valued viewers of Textilesresources.com, the cotton and textile sector is entering a phase where quality, innovation and responsibility will define long term success. I would encourage everyone across the value chain to remain committed to continuous learning, to adopt modern practices and technologies, and to stay updated with evolving global standards. Collaboration between farmers, ginners, traders, mills and exporters is more important than ever, as a strong and transparent supply chain benefits everyone involved. It is equally vital to focus on sustainability and traceability, not just as compliance requirements but as core values that add credibility and market strength. Above all, let us approach every step of our work with integrity and a long term vision so that Indian cotton and textiles continue to earn respect and preference in markets around the world.



BHARGAV PATHAK
Founder & Chief Editor
TextilesResources.com

With a passion for the textile, apparel, and fashion industry, I embarked on a journey fueled by education from NIFT Gandhinagar and affiliation with NDBI at NID Ahmedabad. Since 2006, I've contributed to various corporate ventures, specializing in B2B, B2C, SaaS, and AI products within the textile domain. In July 2023, I launched TextilesResources.com, a knowledge hub offering the latest news, articles, and soon-to-come features like interviews and a trade fair calendar. Grateful for the growing community, we've recently introduced a Business Directory for enhanced visibility. Join us on LinkedIn and stay connected with the ever-evolving textile landscape!

Technical Analysis

Price Outlook for Gujarat-ICS-10, 29mm and ICE Cotton Futures for the period 04/08/2025 to 03/09/2025

Shri. Gnanasekar Thiagarajan is currently the head of Commtrendz Research, an organization which, specializes in commodity research and advisory to market participants in India and overseas. He works closely with mostly Agri-Business, base metals and precious metals business corporates in India and across the globe helping them in managing their commodity and currency price risk. Further to his completing a post graduate in software engineering, he did a long stint with DowJones, promoters of "The Wall Street Journal" and had the opportunity of closely working with some of the legends in Technical Analysis history in the U.S.

His columns in The Hindu Business Line have won accolades in the international markets. He also writes a fortnightly column on a blog site for The Economic Times on Global commodities and Forex markets. He

is a part an elite team of experts for moneycontrol.com in providing market insights. He was awarded "The Best Market Analyst", for the category- Commodity markets- Bullion, by then President of India, Mr. Pranab Mukherji.

He is a consultant and advisory board member for leading corporates and commodity exchanges in India and overseas. He is regularly invited by television channels including CNBC and ET NOW and Newswires like Reuters and Bloomberg, to opine on the commodity and forex markets. He has conducted training sessions for markets participants at BSE, NSE, MCX and IIM Bangalore and conducted many internal workshops for corporates

exposed to commodity price risk. He has also done several training sessions for investors all over the country and is also a regular speaker at various conferences in India and abroad.

EXPERT'S COLUMN



Shri. Gnanasekar Thiagarajan
Director, Commtrendz Research

Domestic Markets

- The Domestic market declined with Shankar-6 spot prices edging lower by ₹100 to ₹56,900 per candy, reflecting mild pressure in the domestic physical market. While farmer holdings remain tight and arrivals subdued, the dip signals buyer caution amid falling global cues and sluggish yarn demand. Spinning mills, are holding back purchases due to margin compression and weak downstream orders. As per CAI, as on Aug 2 daily arrivals were at 9,300 bales and cumulative arrivals in season so far were at 3,00,08,100 bales.
- The GST Council may bring forward a proposal to introduce a uniform tax rate of 12 per cent on all products in the textile value chain. This aims to simplify the tax structure, increase industry competitiveness, and attract investment. However, such a proposal could raise taxes and prices on cotton, potentially reducing its appeal in comparison to synthetic fibres, which are currently taxed at higher rates. The proposal may be considered by the GST Council before September as part of the next phase of GST reforms.
- South India cotton yarn market is experiencing sluggish demand from the downstream consumer industry. However, prices have remained stable over the past few days. Cotton yarn prices hovered near previous closing levels in the Mumbai and Tirupur markets. The US tariff announcement has discouraged market buying. Buyers are awaiting clarity on tariff implications, which will determine the competitiveness of Indian exporters in the international garment market. Textiles and apparel are among the hardest-hit segments, facing severe margin compression and volatility in global trade sourcing. Tariffs are disrupting established supply chains, pushing some importers to shift away from countries facing higher duties.

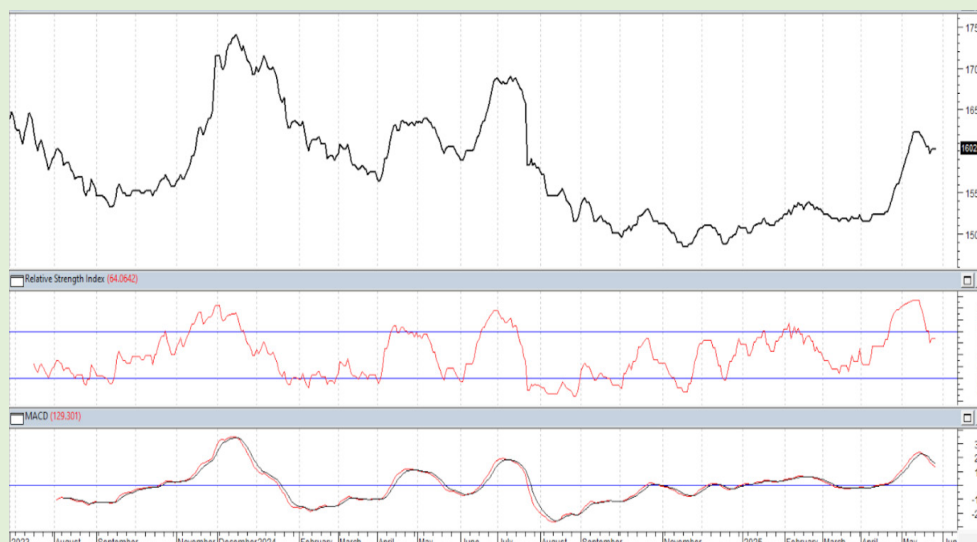
International Markets

- ICE cotton futures fell over 1% on Friday and were set for a weekly decline, due to a downbeat sentiment across the wider financial and agricultural markets. Meanwhile, Wall Street's main indexes declined sharply as new U.S. tariffs on dozens of trading partners and Amazon's unimpressive earnings weighed on sentiment, while a weaker payrolls report added to risk aversion. The down-move feels intensified, a domino effect arising from risk-off across agricultural peers, global equities and treasuries.

- WTI crude oil futures dropped 2.7% to settle at \$67.3 per barrel on Friday, amid reports that OPEC and its allies may soon agree to increase production. Sources familiar with OPEC+ discussions said a deal to raise output by 548,000 barrels per day in September could be finalized as early as Sunday, though talks on the exact volume are ongoing. Market sentiment was also weighed down by President Trump's newly signed tariffs on imports from dozens of countries, including Canada, India, and Taiwan, set to begin August 7.
- The dollar dropped on Friday and was on track for its biggest daily loss against the yen since January 2023 after data showed that U.S. employers added fewer jobs in July than economists had expected, while last month's jobs gains were revised sharply lower, leading traders to ramp up bets on how many times the Federal Reserve is likely to cut rates this year. Employers added 73,000 jobs last month, below the 110,000 expected by economists polled by Reuters, while the unemployment rate edged higher to 4.2%, as anticipated, up from 4.1% in June. Job gains for June were revised down to 14,000, from the previously reported 147,000.
- Traders monitor cotton futures and export volumes—demand remains sluggish and prices constrained. The December contract will continue to do battle with the 66-69-cent range, as it has for the past 12 weeks. Many analysts accept the position that the 12-week low of 66 cents will hold, but that presupposes that the Texas plains will fall short of needed moisture. It is simply too early to make that prediction and weather will become crucial to monitor going forward.

Shankar 6 Guj ICS Price Trend

As mentioned earlier, highly oversold indications hint at a pullback higher. Prices crossed the 16,000 levels and well supported at around 16,000 levels presently. A sharp rise has resulted in overbought conditions which could see some corrections to 15,500-700 levels in the coming sessions where good supports are noted.



Shankar- 6 Candy spot:

As anticipated, in our previous update, it can rise to 56,800/900 next while 52,000 hold any attempts to decline. As mentioned earlier, the technical picture has finally exited the downtrend reviving hopes for a bullish reversal now. Extreme overbought conditions are seeing price corrections till 55,700-800 in the coming sessions. The 55,000 level is likely to become a possible base irrespective of how international prices behave.



ICE Dec 25 Cotton futures

As mentioned in the earlier update, strong support was seen at 65-66c and bounce from there looks positive for cotton futures. Prices has failed to cross 71-72c where strong resistances are noted. Presently, Though prices are finding bargain support at 66c zone, the overall macro picture and tariff uncertainty that it has on demand is likely to weigh on futures and push prices lower to 64c or even lower in the coming weeks. A strong recovery is expected post that.

As mentioned before, using ICE futures and Options for mitigating prices risk especially when prices are at elevated levels helps cushion the fall and manage high priced inventory of cotton and yarn is ideal for the industry, but to take that leap of faith is a humungous task for this industry where raw material price moves make or break the profit margins.



Hedging low priced ICE futures against domestic prices by buying plain vanilla Call options by paying a premium that could mitigate any upside price risk that can be caused by weather risk or any other event. Also, once price reach a unsustainable level higher, then the high-priced inventories in a falling market could help offset some losses using Put options.

A container of yarn roughly uses 150 bales of raw material cotton. That much of raw material price risk is what one is exposed to till the yarn is sold. The OPTION Is ICE futures; USA helps in inventory management. MCX Candy contracts recently launched should be a good testing ground for mills and exporters desirous of hedging their price risk in ICE futures and options.

CONCLUSION:

As cautioned previously the peak arrival season is coming to an end and a pullback can be seen in local prices. But it looks unsustainable here and prices could come under pressure again. Prices have been moving perfectly in line with our expectations. Strong resistance is presently noticed in the 57,500-58,000 zone. More uncertainties are increasing as the weather so far has been friendly.

Important support in ICE is at \$64-65c range followed by \$62c on the downside. Prices could find a lot of buying interest again on dips now. We expect prices to break be capped in the 73-77c range. The international price still indicates that a bearish H&S pattern is in play where more downside to 59-60c could be on the cards.

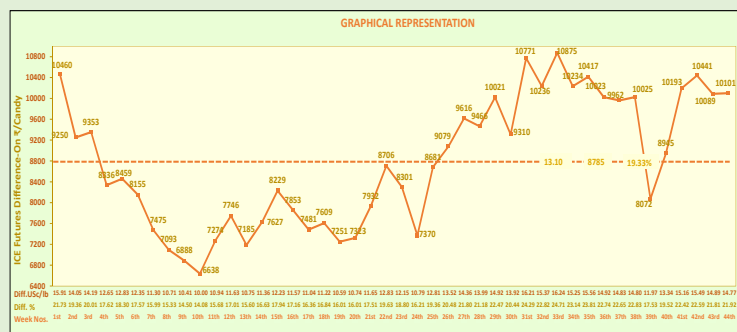
For Shankar 6 Guj ICS supports are seen at 56,000 per candy and for ICE Mar cotton futures at \$64-65c now. The domestic technical picture looks neutral to mildly bullish, but any major upside from here could be limited. Therefore, we can expect international prices to consolidate in the near-term with chances of further declines looking likely. But broader picture is not clear and a rangebound trade is expected with a bearish bias going forward. However, with lots of hurricanes expected in the coming season, sharp spikes can be expected due to adverse weather which is not the case so far.

(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 – 2nd August 2025

SEASON 2024-2025							
Comparison M/M(P) ICS-105, Grade Fine, Staple 29mm, Mic. 3.7-4.9, Trash 3.5%, Str./GPT 28 with ICE Futures							
CAI Price for July Compared with ICE December Settlement Futures							
Date	CAI (₹ /Candy)	Conversion Rate (US\$ = ₹)	CAI (US\$/lb.)	ICE Settlement Futures 1.1/16" Front Mth. Dec.'25 (US\$/lb.)	Difference-ON/OFF ICE Futures		
					US\$/lb.	₹ /Candy	%
A	B	C	D	E	F	G	H
Cotton Year Week No-44 th							
28 th Jul	56100	86.67	82.56	68.34	14.22	9662	20.81
29 th Jul	56100	86.82	82.42	67.67	14.75	10040	21.80
30 th Jul	56100	87.43	81.84	67.50	14.34	9829	21.24
31 st Jul	56300	87.60	81.98	67.25	14.73	10116	21.90
01 st Aug	56400	87.54	82.18	66.36	15.82	10857	23.84
Weekly Avg.	56200	87.21	82.20	67.42	14.77	10101	21.92
Total Avg. From 1st Oct 2024	54356	85.59	81.03	67.93	13.10	8785	19.33

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

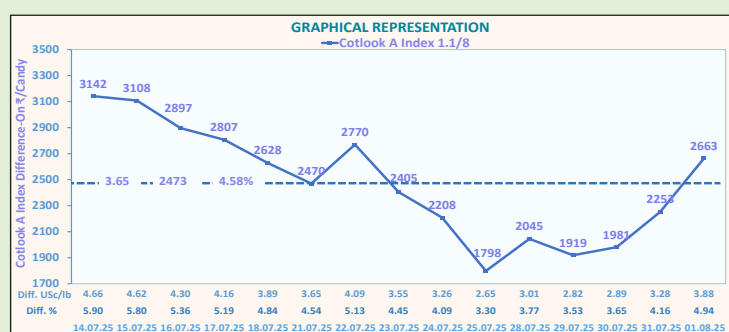


Basis Comparison of ICS 105 with Cotlook A Index – 2nd August 2025

SEASON 2024-2025							
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 (US\$/lb.)	Cotlook A Index M-1.1/8" (Forward Mth.) C & F Ports	Difference-ON/OFF Cotlook A Index		
					US\$/lb.	₹/Candy	%
A	B	C	D	E	F	G	H
Cotton Year Week No-44 th							
28 th July 2025	56100	86.67	82.76	79.75	3.01	2045	3.77
29 th July 2025	56100	86.82	82.62	79.80	2.82	1919	3.53
30 th July 2025	56100	87.43	82.04	79.15	2.89	1981	3.65
31 st July 2025	56300	87.60	82.18	78.90	3.28	2253	4.16
1 st August 2025	56400	87.54	82.38	78.50	3.88	2663	4.94
Weekly Avg.	56200	87.21	82.40	79.22	3.18	2172	4.01
Total Average From 14th July 2025 on Daily Basis	56407	86.54	83.34	79.70	3.65	2473	4.58

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

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



**COTTON
ASSOCIATION
OF INDIA**

Established 1921

ISO 9001:2015

COTTON ASSOCIATION OF INDIA

is organizing a 3-Day training course on

‘COTTON - QUALITY ASSESSMENT & MARKETING IN PRESENT SCENARIO’

under its **FARMER TRAINING INITIATIVE**

Date and Time:

17th- 19th September 2025
(Wednesday to Friday)
10.00 a.m. to 5.00 p.m.

Venue :

Cotton Association of India,
Cotton Exchange Building,
2nd Floor, Conference Room,
Cotton Green (E),
Mumbai 400 033

Course Fees per delegate:

INR 8500/- + GST @ 18%

Course will include the cost of
course material, lunch & high tea

Course Coordinator:

Sanket Shingote - 8691068976

CAI is aiming at giving an opportunity to
all stakeholders of the cotton and textile
value chain for acquiring knowledge about
Cotton Quality assessment.

Since you are an important stakeholder
in the cotton value chain, we earnestly
request you to take advantage of this CAI
Training Course by enrolling you and/or
other members/employees of your group
companies.

In order to provide personalized attention
to the delegates during Training, we
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Name of Bank : **Union Bank of India**
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Hurry!
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(₹\ Quintal)

July 2025

2024-25 Crop

[illegible]

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) 2024-25 Crop July - August 2025					
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Gravimetric Trash	Strength /GPT	28th	29th	30th	31st	1st	2nd
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	4%	15	13835 (49200)	13835 (49200)	13835 (49200)	13891 (49400)	13891 (49400)	13891 (49400)
2	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	13%	20	11051 (39300)	11051 (39300)	11051 (39300)	11051 (39300)	11051 (39300)	11023 (39200)
3	M/M (P)	ICS-104	Fine	23mm	4.5 – 7.0	4%	22	13441 (47800)	13441 (47800)	13441 (47800)	13441 (47800)	13441 (47800)	13441 (47800)
4	P/H/R (U)	ICS-202 (SG)	Fine	27mm	3.5 – 4.9	4.5%	26	15297 (54400)	15353 (54600)	15353 (54600)	15353 (54600)	15353 (54600)	15353 (54600)
5	P/H/R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	15466 (55000)	15522 (55200)	15522 (55200)	15522 (55200)	15522 (55200)	15522 (55200)
6	M/M(P)/ SA/TL/G	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	13160 (46800)	13160 (46800)	13160 (46800)	13160 (46800)	13104 (46600)	13048 (46400)
7	M/M(P)/ SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	15185 (54000)	15185 (54000)	15185 (54000)	15044 (53500)	14988 (53300)	14988 (53300)
8	P/H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	15944 (56700)	16056 (57100)	16056 (57100)	16056 (57100)	16000 (56900)	16000 (56900)
9	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	15578 (55400)	15578 (55400)	15578 (55400)	15607 (55500)	15607 (55500)	15607 (55500)
10	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	15410 (54800)	15410 (54800)	15410 (54800)	15410 (54800)	15410 (54800)	15410 (54800)
11	GUJ	ICS-105	Fine	28mm	3.7 – 4.9	3%	27	15775 (56100)	15832 (56300)	15832 (56300)	15832 (56300)	15832 (56300)	15803 (56200)
12	R(L)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	15775 (56100)	15775 (56100)	15775 (56100)	15775 (56100)	15775 (56100)	15775 (56100)
13	R(L)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	15916 (56600)	15916 (56600)	15916 (56600)	15916 (56600)	15888 (56500)	15888 (56500)
14	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	15775 (56100)	15775 (56100)	15775 (56100)	15832 (56300)	15860 (56400)	15860 (56400)
15	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	15635 (55600)	15635 (55600)	15635 (55600)	15635 (55600)	15635 (55600)	15635 (55600)
16	GUJ	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	15972 (56800)	16028 (57000)	16028 (57000)	16028 (57000)	16028 (57000)	16000 (56900)
17	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	16000 (56900)	16000 (56900)	16000 (56900)	16000 (56900)	16028 (57000)	16028 (57000)
18	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	15803 (56200)	15803 (56200)	15803 (56200)	15803 (56200)	15803 (56200)	15803 (56200)
19	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	16225 (57700)	16225 (57700)	16225 (57700)	16225 (57700)	16225 (57700)	16225 (57700)
20	SA/TL/K/ TN/O	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	16169 (57500)	16169 (57500)	16169 (57500)	16169 (57500)	16169 (57500)	16169 (57500)
21	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.)	N.A. (N.A.)
22	M/M(P)	ICS-107	Fine	34mm	2.8 - 3.7	4%	33	21259 (75600)	21259 (75600)	21259 (75600)	21259 (75600)	21259 (75600)	21259 (75600)
23	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	22355 (79500)	22355 (79500)	22355 (79500)	22355 (79500)	22355 (79500)	22355 (79500)
24	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	21793 (77500)	21793 (77500)	21793 (77500)	21793 (77500)	21652 (77000)	21652 (77000)
25	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	23199 (82500)	23199 (82500)	23199 (82500)	23199 (82500)	23199 (82500)	23199 (82500)

Note: (Figures in bracket indicate prices in Rs./Candy)