PRESS RELEASE

NCDEX and Cotton Association of India collaborate to Strengthen India's Cotton Derivatives Ecosystem

~Strategic step towards aligning India's cotton futures market with global trade practices~

Mumbai, 2nd September, 2026: NCDEX Ltd. (*earlier known as National Commodities and Derivatives Exchange Limited*), one of the leading stock exchanges of India, today announced a five-year strategic partnership with the Cotton Association of India (CAI), the apex trade body representing India's cotton value chain. The Letter of Engagement commits both organisations to deepening participation in cotton derivatives and building a more robust, transparent price discovery mechanism and risk management tool for the Indian cotton supply chain. India produces 20% to 23% of the world's cotton, on nearly 38% of the world's cotton-growing acreage, yet this production scale has never translated into price-discovery leadership. Fragmented physical markets, uneven price transmission and comparatively low derivatives participation have historically kept India on the sidelines of global cotton pricing. The NCDEX-CAI partnership is designed to help close that gap, while also strengthening NCDEX's Cotton Complex, which already lists Kapas, Cottonseed Oil Cake and Cotton Wash Oil. The Letter of Engagement was signed by Mr. Vikas Goel, MD and CEO of NCDEX, and Mr. Vinay Kotak, President of CAI, in the presence of Mr. Lalit Kumar Gupta, Chairman cum Managing Director of the Cotton Corporation of India Ltd. (CCI) and senior representatives from both organisations in Mumbai on 2nd September, 2026. CCI is central public sector undertaking under Ministry of Textiles that manages cotton trade, procurement, and export.

Speaking on the occasion, **Mr. Vikas Goel, MD and CEO, NCDEX**, said, "*Cotton is central to India's agricultural economy, yet our derivatives market has never fully reflected the country's scale of production. This partnership with CAI is a deliberate step to change that. CAI's deep membership base and on-ground expertise will be invaluable as we work together on market development and open up new possibilities for India's cotton Value chain participants. Not only it will help NCDEX strengthen our Cotton Complex offering and build trade practices that align with global standards, it will also give the entire value chain, from growers to exporters, a transparent, reliable way to manage price risk, and build a price benchmark that truly reflects India's standing as one of the world's largest cotton producers.*"

Joining him, **Mr. Vinay Kotak, President, Cotton Association of India,** said, **"***Cotton Association of India has, for over a century, been the collective voice of India's cotton value chain, representing the entire cotton and textile value chain including farmers, ginning and pressing factories, textile mills, traders, exporters, importers, brokers and other service providers across the country. We have long grappled with is the absence of a genuine hedging culture among our value chain participants; a mix of low awareness and derivatives products that were never quite designed to global standards has kept* *many from managing their price risk effectively. This partnership with NCDEX is aimed at changing that reality. By working together on product design and awareness building, we want to give all value chain participants the confidence and the tools for true price discovery and hedging as a matter of course."*

Under the tenets of the Letter of Engagement, NCDEX and CAI will jointly undertake stakeholder engagement activities to build a stronger hedging culture among ginners, spinners and exporters, promoting futures as a transparent, market-driven risk management tool. The partnership will also work to bridge a long-standing gap between India's physical and futures cotton trade: Maharashtra and Gujarat, India's largest cotton-growing and processing hubs, along with Punjab, Andhra Pradesh and Telangana, are expected to be key focus geographies, with joint efforts centered on building awareness, education and adoption of cotton futures among farmers, ginners, spinners, exporters and other stakeholders.

About NCDEX Ltd.:

About NCDEX Ltd.: Established in 2003, NCDEX Ltd. is one of the leading SEBI-regulated stock exchange, creating benchmark products in key agricultural commodities. The Exchange offers a comprehensive suite of products, spanning across commodity derivatives including weather derivatives and a Mutual Fund Transaction platform. NCDEX Group provides an integrated market infrastructure that includes subsidiaries National Commodity Clearing Limited (NCCL) for independent Clearing & Settlement services, National E-Repository Limited (NERL) for Repository services, NCDEX e-Markets Limited (NeML) for spot trading and e-auctions, and NCDEX Institute of Commodity Markets and Research (NICR), which is a knowledge and capacity-building arm. NCDEX is committed to expanding its reach by empowering participants through initiatives focused on financial literacy, risk management, and inclusive growth. Guided by our vision to connect producers, investors, and enterprises on a reliable and innovative platform, NCDEX continues to build transparent, efficient, and future-ready markets that contribute to create sustainable and inclusive market ecosystems. For more information, please visit: www.ncdex.com

About Cotton Association of India (CAI)

Incorporated in 1921, CAI is India's apex body representing the entire cotton value chain—farmers, ginning and pressing factories, traders, exporters, importers, brokers, textile mills and service providers. CAI has a long and distinguished association with cotton futures trading in India, having conducted and regulated cotton futures trading in India as the central industry body since 1922, making futures an integral part of its institutional legacy. Today, CAI has 458 members drawn from across the country, with 18 regional cotton associations and co-operative cotton marketing societies affiliated to it. With its extensive network of cotton testing and research laboratories, close linkages with major spot markets across India, and affiliations with leading national as well as international cotton organisations, CAI is uniquely positioned to contribute to the development of a transparent, credible and vibrant cotton futures market in India, benefiting the entire cotton value chain.

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