

SHIVPRIYA TEXCHEM · KNOWLEDGE SERIES

Bhiwandi. India's largest powerloom concentration.

Several lakh looms in one town, weaving grey fabric for the whole country on job-work terms and thin margins. Bhiwandi is also becoming the warehouse of western India — and that second business may outlast the first.

~5 lakh

powerlooms estimated across the Bhiwandi cluster

Job work

the model — weavers sell machine time, not fabric

Warehousing

the fast-growing second economy of the town



Bhiwandi · Photograph: Premshree Pillai — CC BY-SA 2.0, via Wikimedia Commons. Reproduced under its licence terms.

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CHAPTER 01

What Bhiwandi weaves

Bhiwandi produces grey fabric — unfinished, undyed cloth — in enormous volume. It is the raw material that processing houses across India turn into finished fabric.

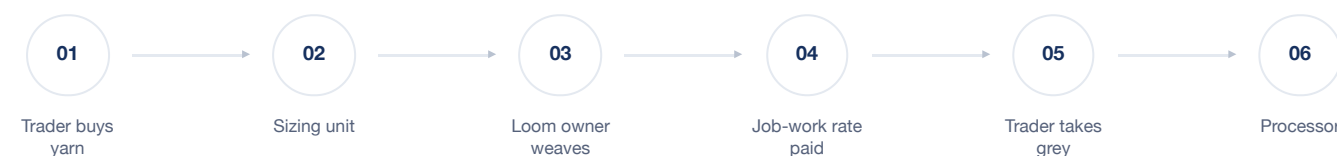
PRODUCT	NOTES
Grey cotton fabric	Shirting, bottom-weight and sheeting greige for processors nationwide
Blended fabric	PC and PV grey cloth for the suiting and shirting trade
Man-made grey	Polyester and viscose fabric, overlapping with Surat's market
Sheeting & furnishing	Wider-width grey for home textile processors
Job-work weaving	The dominant commercial model across the cluster
Sizing & preparation	A supporting industry of sizing units serving the looms

Grey is a product, not an unfinished one. Grey fabric is bought, sold, financed and traded as a commodity in its own right.
Bhiwandi's customers are processors, not consumers — which is why the cluster is invisible to the public despite its scale.

CHAPTER 02

The job-work economy

Almost no one in Bhiwandi owns the fabric they weave. The loom owner sells machine time; the trader owns the yarn going in and the cloth coming out.



The loom owner never owns the material and never meets the end customer

01 The trader carries the risk

Yarn price, fabric price and credit risk all sit with the trader, not the weaver.

02 The weaver sells capacity

Paid a rate per metre or per pick. Income depends on machine uptime, not on fabric price.

03 Units are very small

Many owners run a handful of looms. Ownership is extremely fragmented.

04 Margins are thin

Job-work rates are set by competition between thousands of loom owners with idle capacity.

05 Power is the swing cost

Electricity is the largest controllable cost. Tariff changes move the whole cluster's economics.

A Bhiwandi weaver is not really in the fabric business. They are in the business of **renting out a machine by the metre**.

CHAPTER 03

How the cluster is organised

Bhiwandi has very few nationally recognised company names — its structure is thousands of small proprietors coordinated by traders. These are the categories of counterparty you will actually meet.

GREY FABRIC TRADERS

The parties who own the goods.

- 01 **Mumbai grey merchants**
Trading firms holding the yarn and the cloth
- 02 **Local trading houses**
Bhiwandi-based traders coordinating loom capacity
- 03 **Commission agents**
Matching orders to available loom capacity
- 04 **Yarn suppliers**
Merchant yarn houses financing the input side
- 05 **Processor buying arms**
Processing houses sourcing greige directly

WEAVING UNITS

Loom owners selling machine time.

- 01 **Small proprietor units**
The large majority — a few dozen looms each
- 02 **Mid-size weaving sheds**
A few hundred looms, often part shuttleless
- 03 **Shuttleless converters**
Units that have modernised to rapier or air-jet
- 04 **Powerloom co-operatives**
Group structures for shared services
- 05 **Sizing units**
Independent businesses preparing warps for the looms

WAREHOUSING & LOGISTICS

The town's fast-growing second economy.

- 01 **National 3PL operators**
Large distribution centres serving western India
- 02 **E-commerce fulfilment**
Major fulfilment capacity built here
- 03 **FMCG distribution**
Regional distribution hubs
- 04 **Warehousing developers**
Industrial park and warehouse builders
- 05 **Transport operators**
Fleet operators serving the Mumbai corridor

Why there are no famous names. Bhiwandi's output is enormous and its brands are nonexistent, because **the town sells an intermediate product to other businesses.** The recognisable names sit upstream in yarn and downstream in processing.

CHAPTER 04

The loom base and its modernisation

A large share of Bhiwandi's looms are old plain or semi-automatic machines. That determines what the cluster can and cannot weave.

LOOM TYPE	SHARE	WHAT IT CAN DO
Plain powerloom	Large	Basic grey fabric at low cost; limited width, speed and consistency
Semi-automatic	Significant	Better than plain, still constrained on tolerance and width
Rapier	Growing	Wider widths, better consistency, capable of finer constructions
Air-jet	Small but rising	High speed on lighter fabric; the modernisation target
Water-jet	Limited	Used for synthetic filament fabric where available

Why modernisation is slow

Shuttleless looms cost many times a plain loom, and job-work margins do not fund replacement.

Subsidy schemes

Government modernisation support has helped but has not transformed the base.

The width problem

Narrow plain looms cannot serve the wider-width home textile market at all.

Quality ceiling

Export fabric tolerances are difficult to hold on an ageing plain loom base.

CHAPTER 05

Warehousing, and why it matters

Bhiwandi sits on the Mumbai–Nashik corridor with land, road access and proximity to the largest consumer market in India. That has made it the warehouse capital of western India.



Bhiwandi, Maharashtra · Photograph: Premshree Pillai — CC BY-SA 2.0, via Wikimedia Commons

- **Land competition.** Warehousing pays more per acre than weaving, which pressures loom sheds directly.
- **Labour competition.** Logistics work offers steadier wages than powerloom operation.
- **Better returns.** Landowners increasingly convert weaving sheds into distribution space.
- **A real hedge.** For the town's economy this diversification is genuinely stabilising, whatever it does to weaving.

CHAPTER 06

What holds the cluster back

Bhiwandi's difficulties are structural and long-standing, and most of them come back to the same thing: margins too thin to fund renewal.

- **Chronic overcapacity.** Loom capacity exceeds demand, keeping job-work rates permanently depressed.
- **Power cost and reliability.** The single largest controllable cost and a persistent operational issue.
- **Ageing machinery.** A plain-loom base that cannot access higher-value fabric markets.
- **Infrastructure.** Roads, drainage and civic infrastructure lag the town's industrial density.
- **Credit vulnerability.** Long chains of informal credit transmit a single default across many units.
- **Land pressure.** Warehousing bids up land and squeezes the weaving base.

CHAPTER 07

What is actually shifting

The cluster is slowly bifurcating — a modernising minority moving into better fabric, and a large base continuing to compete on price alone.

SHIFT	WHAT IS HAPPENING
Shuttleless conversion	Steady but slow. Concentrated among larger, better-capitalised units
Wider widths	Growing capacity for home textile and made-up greige
Direct trading	Some larger weavers bypassing traders to sell grey fabric directly
Warehousing conversion	Continued shift of land and buildings out of weaving
Power arrangements	Solar and open-access power to control the largest cost line
Consolidation	Slow drift toward fewer, larger weaving units

CHAPTER 08

Buying grey fabric from Bhiwandi

Bhiwandi delivers volume grey fabric at very competitive prices, provided your quality requirement matches what the loom base can actually hold.

01 Match quality to loom type

Ask which looms will weave your fabric. Plain and shuttleless produce genuinely different cloth.

03 Establish who owns the goods

You are usually dealing with a trader. Know who is actually responsible for the fabric.

05 Inspect before processing

Grey faults become permanent once dyed. Inspect at greige stage, not after.

02 Specify the construction fully

Count, EPI, PPI, width and weave. Grey fabric disputes are almost always specification disputes.

04 Check the yarn

Grey fabric quality is largely decided by the yarn the trader bought. Ask about it.

06 Agree credit terms in writing

Long informal credit is the norm. Formalise it and understand the counterparty.

How Shivpriya reads it. Bhiwandi is the right answer when you need **volume grey fabric at a competitive price** and your tolerances suit the loom base. It is the wrong answer for tight export tolerances or wide widths — and knowing which situation you are in before you order saves a great deal of trouble.

IN CLOSING

Five lakh looms. No brand names.

Bhiwandi weaves an enormous share of India's grey fabric and is almost invisible outside the trade, because it sells an intermediate product on job-work terms. If you are sourcing greige at volume, talk to us — the decisive question is always which looms your fabric will actually run on.

TALK TO US

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