

SHIVPRIYA TEXCHEM · KNOWLEDGE SERIES

Mumbai. Where the trade is priced and financed.

Mumbai stopped making cloth decades ago and never stopped controlling it. The mills became malls, but the trading floors, the broking houses, the export offices and the banking that funds the whole Indian textile chain stayed exactly where they were.

1854

the first Bombay cotton mill — where Indian industry began

Zero

composite mills still operating in the city today

Everything

the share of the trade still priced, financed and exported from here



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Bridging world-class spinning mills and your needs, since 2003.

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CHAPTER 01

What Mumbai does now

Mumbai is not a manufacturing cluster. It is the commercial layer that sits above every manufacturing cluster in India — trading, broking, finance, export documentation, design and brand.

FUNCTION	WHAT IT COVERS
Yarn & fibre trading	Merchant trading in cotton, yarn and man-made fibre across the domestic market
Broking	Brokers matching mills to buyers and, informally, carrying credit knowledge
Export houses	Merchant exporters holding overseas buyer relationships without owning factories
Buying offices	International brand and retailer sourcing offices covering the subcontinent
Finance	Trade finance, packing credit, LC discounting and the banking relationships behind them
Design & brand	Domestic apparel brands, design studios and the fashion business

Why it did not move. Manufacturing moved to where land, power and labour were cheaper. **Trading and finance moved nowhere,** because they depend on information, relationships and banking access — all of which concentrate rather than disperse.

CHAPTER 02

The mills and what became of them

Bombay's cotton mills built modern Indian industry and then collapsed within a generation. What happened to the land is the reason the city looks as it does today.



A century of manufacturing ended in roughly fifteen years

01 The industry was enormous

Central Bombay was dominated by cotton mills employing several lakh workers at its height.

03 Economics had already turned

Powerlooms elsewhere were cheaper. The strike accelerated a decline that was already under way.

05 Redevelopment followed

Mill compounds became offices, malls and residential towers through the 1990s and 2000s.

02 The 1982 strike

A prolonged textile strike halted the mills. Many never restarted operations.

04 The land was the asset

Mill land in central Mumbai became worth vastly more than any textile business on it.

06 The trade stayed

Trading, broking and finance never depended on the mills and simply continued.

CHAPTER 03

Leading names across the trade

Mumbai's textile presence is corporate headquarters, trading houses and brands rather than factories.

Many of the largest names in Indian textiles are run from here.

CORPORATE & MANUFACTURING HQ

Groups headquartered in Mumbai.

- 01 **Reliance Industries**
Polyester and fibre intermediates at national scale
- 02 **Aditya Birla Group**
Grasim, Birla Cellulose and apparel brands
- 03 **Raymond**
Worsted suiting and branded apparel
- 04 **Bombay Dyeing**
Historic mill name, now textiles and real estate
- 05 **Century Textiles**
Long-established Mumbai textile group

YARN & FIBRE TRADING

Merchant trade and distribution.

- 01 **Sanathan Textiles**
Yarn manufacture with Mumbai commercial base
- 02 **Filatex India**
Polyester filament with national distribution
- 03 **Indo Rama Synthetics**
Polyester producer with Mumbai presence
- 04 **Merchant yarn houses**
A deep layer of private trading firms
- 05 **Cotton broking firms**
Established brokers in the raw cotton trade

APPAREL BRANDS & RETAIL

Domestic brand and retail businesses.

- 01 **Aditya Birla Fashion**
Multi-brand apparel retail
- 02 **Raymond Apparel**
Suiting and formalwear brands
- 03 **Arvind Fashions**
Brand and retail arm operating nationally
- 04 **Shoppers Stop**
Department store retail
- 05 **Trent (Westside)**
Value and fashion retail

EXPORT & SOURCING

Merchant export and buying offices.

- 01 **Merchant export houses**
Holding overseas buyer relationships
- 02 **International buying offices**
Brand sourcing teams covering India
- 03 **Textile trade bodies**
Export promotion councils headquartered here
- 04 **Trade finance banks**
Packing credit and LC infrastructure
- 05 **Logistics & freight houses**
JNPT-linked export movement

CHAPTER 04

How price forms here

Mumbai does not set textile prices by decree. It sets them by being the place where enough buyers and sellers meet that a reference price becomes visible.

01 Information concentrates

Brokers see many transactions across many mills. That aggregate view becomes the market view.

02 Brokers carry knowledge

A broker knows who is short, who is stocked and who is slow paying — often before the banks do.

03 Finance sets the floor

Access to and cost of working capital shapes what mills can hold and what they must sell.

04 Export demand transmits

Buying offices in Mumbai translate international demand into domestic order flow.

05 Commodity linkage

Cotton and crude both feed textile pricing, and both are traded and tracked from here.

Mumbai lost the mills and kept the **information**. In a trading business, that was always the more valuable half.

CHAPTER 05

The money behind the chain

Indian textiles is a working-capital business. Mumbai is where that working capital is arranged, priced and, when things go wrong, recovered.



Mumbai, Maharashtra · Photograph: Rutiknatekar — CC BY-SA 4.0, via Wikimedia Commons

Packing credit

Pre-shipment finance against confirmed export orders — the backbone of garment export.

LC discounting

Converting a letter of credit into immediate cash, at a cost that varies with counterparty.

Bill discounting

The mechanism that lets long domestic credit terms function at all.

Commodity exposure

Cotton and polyester price risk, hedged or carried, is managed from here.

CHAPTER 06

What is shifting

Mumbai's commercial role is being reshaped by direct digital connection between mills and buyers, which threatens some intermediaries and strengthens others.

SHIFT	WHAT IT MEANS
Direct mill-to-buyer contact	Digital platforms let buyers reach mills directly, compressing traditional broking margins
Value in verification	Brokers who add credit and quality verification survive; pure introducers do not
Compliance advisory	Growing demand for traceability, audit and certification expertise concentrated here
Design and brand	The domestic fashion business continues to centre on Mumbai
Logistics	JNPT and the wider Maharashtra corridor keep export movement anchored to the region
Talent	Sourcing, merchandising and design talent remains concentrated here

CHAPTER 07

What limits Mumbai

Mumbai's constraints are those of an expensive city that no longer manufactures — which is a different set of problems from every other cluster in this series.

- **Cost of presence.** Office and living costs make Mumbai an expensive place to base a trading operation.
- **No manufacturing.** Buyers wanting to see production must travel; nothing is made in the city itself.
- **Disintermediation.** Digital connection erodes the pure broking function year by year.
- **Competing centres.** Delhi NCR and Bengaluru have taken parts of the sourcing and design function.
- **Congestion.** Movement within the city is a genuine practical constraint on doing business.
- **Legacy structures.** Some trading practices remain informal in ways that sit awkwardly with export compliance.

CHAPTER 08

Working with Mumbai

If you are buying through Mumbai, you are usually buying through an intermediary. That is not a problem, provided you know it and price it.

01 Establish who manufactures

Ask which mill actually produces. A trading house is not a factory and should not be treated as one.

03 Value credit knowledge

A good broker's real product is knowing who pays. That is worth a genuine margin.

05 Formalise the specification

Written specifications matter more, not less, when an intermediary sits in between.

02 Understand the margin

Intermediation costs something. Know what you are paying for — credit, quality assurance or introduction.

04 Insist on mill visibility

For any ongoing programme, visit the producing mill even if you buy through a trader.

06 Use the finance infrastructure

Mumbai's trade finance depth is a genuine advantage for structuring an export deal.

How Shivpriya reads it. We are a trading house, and we think the honest position is this: **an intermediary earns its margin through mill selection, quality assurance and credit judgement, or it earns nothing.** Ask any trading partner, including us, exactly which of those three you are paying for.

CHAPTER 09

Where Mumbai goes next

Mumbai will not become a manufacturing city again. Its question is whether it retains the commercial and financial layer as that layer digitises.

FUNCTION	ASSESSMENT
Trade finance	Secure. Banking depth does not relocate easily
Pure broking	Under sustained pressure from direct digital connection
Quality & compliance advisory	Growing, as buyer due diligence requirements deepen
Brand & design	Secure. The domestic fashion business remains centred here
Corporate headquarters	Secure. The largest textile groups are run from Mumbai
Sourcing offices	Shared with Delhi NCR and Bengaluru rather than dominant

IN CLOSING

The mills are gone. The market never left.

Mumbai is where Indian textiles is priced, financed and sold, even though almost none of it is made here any more. If you are structuring a sourcing or export programme and need to understand who actually stands behind a quotation, talk to us — that judgement is what this city trades in.

TALK TO US

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