

SHIVPRIYA TEXCHEM · KNOWLEDGE SERIES

Surat.

The man-made fabric capital.

Around seven lakh powerlooms, sixty-five thousand textile units and roughly forty per cent of India's man-made fabric, concentrated in one city. Surat does not participate in the polyester market — for most practical purposes, Surat is the polyester market.

~7 lakh

powerlooms installed across the Surat cluster

~40%

of India's man-made fabric production

~3 cr m

of grey fabric produced per day



Surat · Photograph: Rahul Bhadane — CC BY-SA 4.0, via Wikimedia Commons. Reproduced under its licence terms.

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CHAPTER 01

What Surat actually makes

Surat is a man-made fibre city almost exclusively. Cotton is a minor presence. The cluster runs on polyester and viscose, from chip and filament through texturing, weaving, processing and finally into the saree and dress-material trade.



Every stage of this chain exists within the district — an unusually complete cluster

SEGMENT	WHAT IT COVERS
Filament & texturing	POY, FDY, DTY and ATY. The largest concentration of texturing capacity in India
Powerloom weaving	Grey fabric at enormous volume, largely on job-work terms for traders
Processing	Dyeing and printing houses converting grey into finished fabric
Embroidery & value addition	Schiffli and multi-head embroidery, sequin and zari work
Saree & dress material	The end product that most of the cluster ultimately feeds
Zari	A protected traditional craft with a GI tag, now a small but distinctive segment

Why man-made and not cotton. Gujarat grows cotton, but Surat industrialised around **polyester** because the raw material arrives by pipeline and rail from petrochemical complexes rather than from a field. That changed the economics entirely — a synthetic cluster runs on chemical feedstock logistics, not on agricultural seasons.

CHAPTER 02

How the trade is organised

Surat is not a city of large integrated mills. It is a dense network of small specialised units, each performing one stage, coordinated by traders who own the material as it moves between them.

01 The trader owns the goods

A trader buys yarn, has it woven on job work, has it processed on job work, and sells the finished fabric.

02 The weaver sells capacity

Most powerloom owners never own the yarn. They are paid a job-work rate per metre for machine time.

03 Units are small

A typical powerloom unit runs a few dozen looms. Ownership is fragmented across tens of thousands of proprietors.

04 Processing is separate

Dyeing and printing houses are independent businesses, again working largely on job-work terms.

05 The market clears in Ring Road

The wholesale textile markets around Ring Road are where finished fabric changes hands.

Surat's efficiency comes from **specialisation without integration**. Nobody does everything, and everybody does one thing at scale.

CHAPTER 03

Leading names across the cluster

Surat has tens of thousands of units, so no list can be exhaustive. These are well-known names in each segment, given to orient a buyer rather than to rank the market.

POLYESTER YARN & FILAMENT

Chip, POY, FDY, DTY and speciality filament.

- 01 **Sanathan Textiles**
Polyester filament, high-tenacity and cotton yarn
- 02 **Garden Silk Mills**
Long-established polyester chip, yarn and fabric group
- 03 **Shahlon Silk Industries**
Texturised and twisted polyester yarn
- 04 **Filatex India**
POY, FDY and DTY at scale in the Gujarat belt
- 05 **Surat Textile Mills**
Polyester chip and yarn, part of the Garden Vareli lineage

WEAVING & FABRIC

Powerloom grey fabric and organised weaving.

- 01 **Laxmipati Group**
Integrated weaving, processing and saree manufacture
- 02 **Eagle Group**
Diversified Surat textile group across the chain
- 03 **Rameshwar Textile Mills**
Established fabric manufacturer in the cluster
- 04 **Agarwal Textile Mills**
Long-standing Surat weaving and fabric house
- 05 **Sitaram Group**
Weaving and value-added synthetic fabric

PROCESSING & PRINTING

Dyeing, printing and finishing houses.

- 01 **Bhaskar Industries**
Textile processing and finishing
- 02 **Vishal Fabrics**
Processing and finished fabric, Gujarat belt
- 03 **Prabhat Processors**
Dyeing and printing of synthetic fabric
- 04 **Kiran Processors**
Established Surat processing house
- 05 **Jash Processors**
Synthetic fabric dyeing and printing

SAREE & DRESS MATERIAL

The finished product the cluster feeds.

- 01 **Laxmipati Sarees**
Among the best-known Surat saree brands
- 02 **Garden Vareli**
Long-established branded saree label
- 03 **Mahaveer Fashion**
Saree and dress material wholesale
- 04 **Kalarang Fashion**
Dress material and ethnic wear
- 05 **Shangrila Prints**
Printed saree and dress material

How to read this list. These are **recognised names, not a ranking**, compiled from public sources. In a cluster with tens of thousands of units, the right supplier for a specific quality is very often a smaller unit that never appears on any list.

CHAPTER 04

Price discovery and credit

Surat sets the reference price for man-made fabric in India. Understanding how that price forms — and how the credit behind it works — matters more than any single quotation.

01 POY sets the floor

Grey fabric price tracks POY price, which tracks PTA and MEG, which track crude. The chain is tight.

03 Credit is long

Sixty to ninety day terms are common through the chain, and longer in slower seasons.

05 Season drives volume

Wedding and festival demand dominates. The cycle is sharp and it governs working capital planning.

02 Job-work rates move slowly

Weaving and processing rates are sticky. Margin compression usually lands on the weaver first.

04 Brokers intermediate

Much of the trade moves through brokers who carry relationships and, informally, credit risk.

06 Overcapacity is structural

Loom capacity persistently exceeds demand, which keeps job-work rates under permanent pressure.

The credit chain is the real risk. Surat runs on extended credit at every stage. A payment failure at the trading end **propagates backwards** through processing, weaving and yarn within weeks. Counterparty diligence matters here more than price negotiation.

CHAPTER 05

What supports the cluster

Surat's advantage is not any single factor but the density of everything a synthetic textile business needs within a short radius.



Surat, Gujarat · Photograph: Rahul Bhadane — CC BY-SA 4.0, via Wikimedia Commons

Feedstock access

Proximity to Hazira and the Gujarat petrochemical complex shortens the polyester supply line.

Power

Industrial power availability is comparatively reliable, though tariff remains a live cost issue.

Labour

A large migrant workforce, predominantly from Odisha, Bihar and Uttar Pradesh.

Logistics

Road and rail connectivity to national markets, with Hazira port for export movement.

CHAPTER 06

What is actually shifting

Surat has spent the past decade trying to move up the value chain and to modernise a loom base that is largely ageing plain and semi-automatic machinery.

SHIFT	WHAT IS HAPPENING
Shuttleless conversion	Steady replacement of plain looms with rapier, air-jet and water-jet machines
Into garmenting	Deliberate effort to move from fabric into finished garments and capture more value
Technical textiles	Growing interest in non-woven, geotextile and industrial fabric as a diversification
Recycled polyester	rPET capacity building, driven by export buyer requirements and GRS certification
MMF policy support	PLI and cluster schemes explicitly aimed at man-made fibre value addition
Effluent compliance	Processing houses under sustained pressure on discharge standards and CETP capacity

The modernisation gap. A large share of Surat's looms are still plain or semi-automatic. They produce cheap grey fabric competitively but **cannot hold the tolerances** export and technical fabric require. Closing that gap is the cluster's central challenge.

CHAPTER 07

What holds the cluster back

Surat's weaknesses are the direct reverse of its strengths. Fragmentation gives flexibility and denies scale; low cost comes with thin margins and limited investment capacity.

- **Overcapacity.** Persistent excess loom capacity keeps job-work rates depressed and reinvestment difficult.
- **Fragmentation.** Thousands of small units make quality standardisation and large export orders hard to coordinate.
- **Ageing machinery.** A loom base weighted toward older technology limits the fabric qualities achievable.
- **Effluent and water.** Processing capacity is constrained by discharge norms and CETP availability.
- **Credit stress.** Long payment cycles make the whole chain vulnerable to a single large default.
- **Labour dependence.** Heavy reliance on migrant labour leaves the cluster exposed to seasonal and event-driven disruption.

CHAPTER 08

Buying from Surat

Surat rewards buyers who understand the job-work structure and punishes those who assume they are dealing with an integrated mill.

01 Know who owns the goods

Your counterparty may be a trader, not a manufacturer. Establish who actually controls the material.

03 Visit the weaving unit

Ask which looms your fabric will run on. Plain and shuttleless produce different tolerances.

05 Agree credit terms explicitly

Long terms are the norm. Put them in writing and understand who carries the risk.

02 Specify the yarn, not just the fabric

Denier, filament count, lustre and set level. Grey fabric quality is decided at the yarn.

04 Separate processing quality

The weaver and the processor are different businesses. Assess them separately.

06 Test lot-to-lot consistency

Fragmented production means variation between lots. Test across lots, not within one.

How Shivpriya reads it. In Surat we work backwards from the **texturiser and the loom**, not from the trader's sample. Two identical-looking fabrics from the same market can come from very different machinery, and that difference shows up in your processing house rather than in the sample book.

CHAPTER 09

Where Surat goes next

Surat's scale is not in question. What is in question is whether it can convert volume leadership into value leadership before cost competition erodes the base.

DIRECTION	ASSESSMENT
Volume leadership	Secure. No other Indian cluster is close on man-made fabric volume
Garment integration	Genuine effort under way, but the skill base and buyer relationships take years to build
Technical textiles	Real opportunity, requiring machinery and quality systems the cluster largely lacks today
Export share	Underweight relative to capacity; compliance and consistency are the binding constraints
Recycled polyester	Well positioned, with feedstock access and growing certified capacity
Modernisation	The decisive variable. Loom replacement pace will determine the next decade

Surat has already won the volume argument. The open question is whether it can win the **quality** one.

IN CLOSING

Forty per cent of India's man-made fabric.

Surat is the single most important cluster in the Indian man-made fibre chain, and the most misunderstood by buyers who treat it as a collection of mills rather than a coordinated network of specialists. If you are sourcing polyester or viscose fabric from Surat, talk to us — we will start at the yarn and the loom rather than at the trader's counter.

TALK TO US

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