

Report on TEXRPOCIL'S Participation in Preview in Daegu, South Korea (11-13 March, 2015)

The Council participated in PREVIEW IN DAEGU 2015, a textiles exhibition held in South Korea from March 11 -13, 2015.

PREVIEW IN DAEGU is an established trade fair which takes place every year. 7 Companies had participated in the exhibition through the Council. The Council's booth had displayed the samples of 3 Companies.

A good number of buyers had visited the exhibition and all the Companies who had participated in the exhibition have reportedly established contacts with a large number of buyers with some of them booking some orders on the spot.

In addition to South Korea, there were buyers from other Countries like UK, Spain, Taiwan, China, Italy, Pakistan, Dubai, Nigeria, Egypt, Sri Lanka and Saudi Arabia.

South Korea which is one of the few developed countries that was able to avoid a recession during the global financial crisis, provides huge scope for export of Cotton textiles from India.

India currently exports Cotton Yarn, Fabrics and Made ups to South Korea.

On the first day of the exhibition, Shri Raj Kamal - First Secretary from the Indian Embassy in Seoul had visited the Council's booth. The first secretary also interacted with all the Indian Companies at their booths.

Some of the observations at the exhibition are as under:

- (1) There is very little awareness among the South Korean buyers regarding the capabilities of the Indian Companies to supply high quality textiles products consistently.
- (2) There is good scope to export fabrics for home textiles, Denim fabrics, Cotton Yarn, Shirting fabrics and kitchen towels to South Korea.
- (3) Many textiles units in South Korea are interested in investing in textile units in India. However, their knowledge on Indian FDI & other investment Rules are minimum.
- (4) It takes time to build up business relationships with the South Koreans. However, once the relationship is established is long lasting.
- (5) South Korean buyers are willing to offer good prices for the products. Their quality standards in all aspects - including strict adherence to shipment schedules - are very high.
- (6) Over 70% of the imports of textile products are re-exported to other countries especially to CAFTA countries like Guatemala, Honduras etc.

WAY FORWARD

India should therefore look at South Korea as a country with opportunities both for trade and investments. South Korea is definitely a market with huge potential for those exporters who can offer high quality products and who are willing to take a long term perspective in negotiating export orders.

The Council should continuously engage with South Korea and should participate in exhibitions / Buyer Seller Meets. The Council should also organize road shows and make presentations in important textiles centres like Daegu, Seoul etc with the active support of the Indian Embassy.

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