



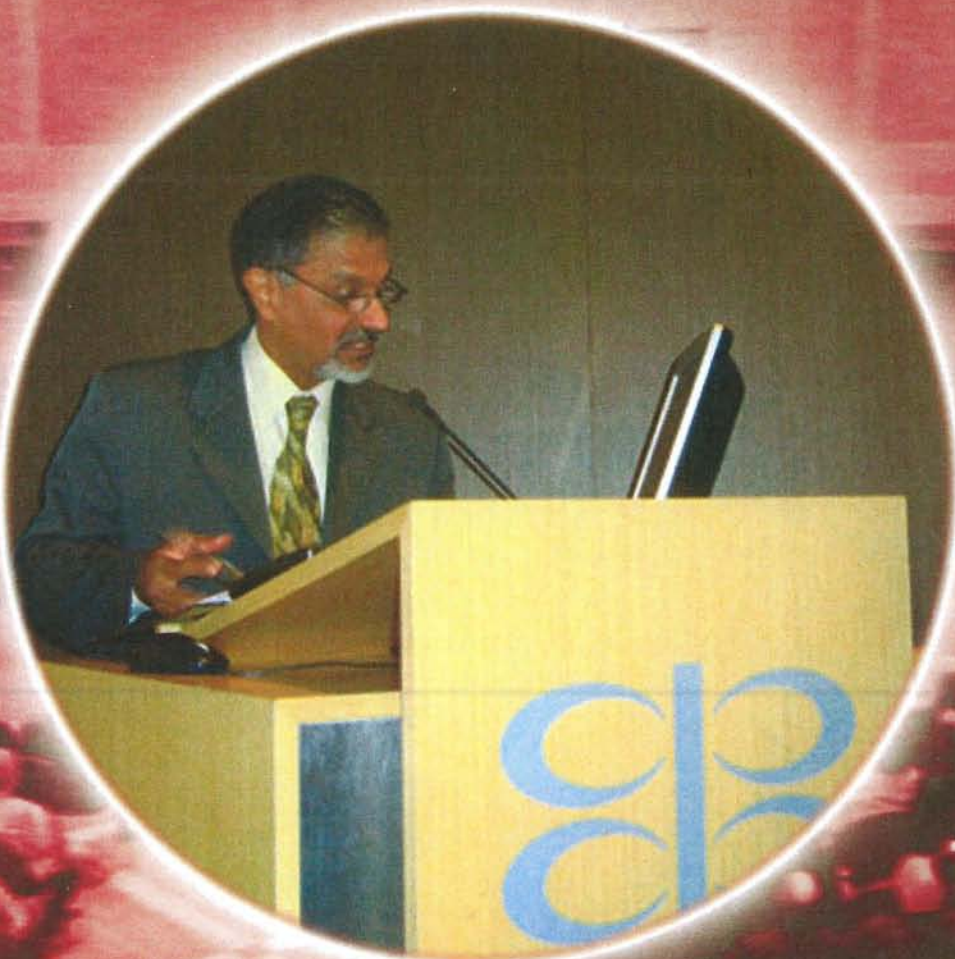
TEXPROCIL NEWSLETTER

Member Copy Complimentary

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A monthly publication of THE COTTON TEXTILES EXPORT PROMOTION COUNCIL OF INDIA

His Excellency
Mr. Deepak Bhojwani,
the Ambassador of India
to Columbia, inaugurating
the Texprocil BSM at
Corferias, Bogotá,
Columbia



Texprocil Buyer-Seller Meet at Bogotá,



With Best Compliments
 **TEXPROCIL**
THE COTTON TEXTILES EXPORT PROMOTION COUNCIL OF INDIA

Latin America

Buyer-Seller Meet in Bogotá, Columbia



Mrs. María Fernanda Campo, President of the Bogotá Chamber of Commerce; Mr. Deepak Bhojwani, Ambassador of India



(L-R) Mrs. Sandra Salamanca from Andi; Mr. Deepak Bhojwani, Ambassador of India to Colombia; Mr. N. Ravindranathan, Joint Director, Texprocil, Mr. Alejandro Echeverry of M/s. Fabricato and Mr. Andrés Ortiz from the Embassy of India.

Texprocil Buyer Seller Meet (BSM) in Colombia

Texprocil in association with the Embassy of India and Bogotá Chamber of Commerce, Colombia organized an exclusive BSM in Bogotá, Colombia on 23rd and 24th June 2008. Six Member exporters of cotton yarn and fabrics participated in the event held at the Corferias Business Centre located in the trade promotion premises of the Bogotá Chamber of Commerce.

The BSM was formally inaugurated by the Ambassador of India, Mr. Deepak Bhojwani, followed by addresses by the President and Vice President of the Bogotá Chamber of Commerce; Government Agencies such as the Colombian Customs Authorities and Director of the Colombian Investment Promotion Agency.

The Chamber of Commerce had arranged one to one business interactions between the Indian Participants and Colombian importers and other prospective importers. The event was planned well in advance and wide publicity was undertaken prior to the event. Company Profiles of each of the participants were sent out so as to attract the interest of knitters, weavers, Importers of yarn and fabrics; Spinners, Agents, Wholesalers located in and around Bogotá. The well-structured pre-event publicity helped in facilitating one to one meetings and optimum utilisation of the available time by the participants during the two days program was utilized to the maximum.

Each member participant had intensive business interactions with at least 10 Colombian Companies during the BSM and it is reported that approximately USD 3 Mn worth of orders were concluded in addition to sampling and negotiations.

On the evening of 23rd June, a networking cocktail meet was organized by Texprocil which was attended by prominent importers, Indian participants, government officials, Official from the Chamber of Commerce, the Ambassador of India and officials from the Embassy. Texprocil participants had informal business interactions with the Colombian businessmen and government officials during the cocktail, generating immense goodwill and contacts for them in Colombia.

During the BSM, Colombian Companies were looking for Cotton Yarn mainly of counts 20s, 30s and 40s; a few were interested in 50s, 60s and 80s cotton combed knitting and weaving yarns; P/C blended yarns; sheeting; dyed drills; shirting fabrics, fabrics for industrial work wear; jacquard furnishing fabrics; organic cotton fabrics etc. Demand for compact yarn was relatively low in this market with importers showing marked preference for regular ring spun and contamination free yarns.

It is reported that, total yarn production in Colombia meets only 40% of the domestic demand and hence the Spinners are able to sell at a high price. Some of the spinners themselves are importing yarns to supplement their production so as to meet the

market demand as well as to achieve higher profitability. Basic Import duty on yarns and fabrics is 20%. Even after payment of all duties and levies, landed cost of imported yarns are much cheaper than the prices at which local spinners are selling in the domestic market. Unfortunately, Indian suppliers are unable to realize higher price in this market, mainly, due to undercutting among themselves. Proximity to knitting and weaving centres, small quantity supply, quick delivery with minimum lead-time are the advantages available to the local spinners leading to their demanding higher prices.

Trade Data

- Within Colombia, USA is the largest supplier of cotton textiles with a share of 22.84%
- India's share in the total imports of Cotton Textiles in Colombia is 9.56% and it holds 3rd rank, next only to USA and China.
- Cotton Fabrics dominate the import market with a share of 65.5%, followed by Cotton yarn (26.5%) and cotton made-ups (7.9%).
- Import of Apparel from China (at a cheaper price) continues to grow at a very high rate over the past few years and hence domestic manufacturers are pressurizing the Government to initiate suitable counter measures.

Colombia is potentially an important market for India as far as textiles is concerned. In the year 2007, India was the leading supplier of cotton yarn to Colombia with a market share of 29%. The total export of textiles from India to Colombia in the year 2007 amounted to USD 60.84 Mn, while that in the period Jan-March 2008 amounted to USD 20.8 Mn. Total export of Cotton and Cotton Yarn from India to Colombia in the year 2007 amounted to USD 34.5 Mn, while that in the period Jan-March 2008 amounted to USD 14.08 Mn.

Import of Cotton Textiles into Colombia - Jan/

Import of Cotton Textiles into Colombia – Jan / Dec 2006		
Product	Value in Mn US\$	% share
Cotton Yarn	96.44	26.5 %
Cotton Fabrics	237.88	65.6 %
Cotton Made-ups	28.80	7.9 %
TOTAL Cotton Textiles	363.12	100 %