

Budget 2024: Textiles sector gets an allocation boost of 28%

Budget 2024 allocates ₹4,417.09 crore for the textiles sector against the 2023-24 revised estimate of ₹3,443 crore.

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The budget 2024 raised the allocation for research and capacity building in the sector to ₹686 crore from ₹380 crore. (Pixabay)



The budget allocation for the textiles sector has been increased by ₹974 crore to ₹4,417.09 crore in the Union Budget 2024-25.

The budget, presented by Union Finance Minister Nirmala Sitharaman on Tuesday, raised the allocation for research and capacity building in the sector to ₹686 crore from ₹380 crore.

It also proposed reducing the basic customs duty (BCD) on real down-filling material derived from ducks or geese to enhance the competitiveness of Indian leather and textile exports.

The allocation for the National Technical Textiles Mission jumped 120.59% to ₹375 crore from ₹175 crore in 2023-24.

Technical textiles are special textile products designed mainly for their performance and functionality. They are used in various sectors, such as construction, agriculture, aerospace, automotive, healthcare, protective gear, and home care.

Unlike traditional textiles, which focus on looks, technical textiles offer superior performance. They are made from both natural and synthetic fibres such as Nomex, Kevlar, Spandex and Twaron.

Currently, India exports technical textiles, including medical apparel, worth about \$2.5 billion and aims to increase it to \$10 billion in the next five years.

The National Handicraft Development Programme has seen a 38% jump in its allocation to ₹236 crore from ₹171 crore.

“The increased funding is expected to support various initiatives aimed at enhancing artisans' skills, improving their market access, and fostering innovation in traditional handicrafts,” said Abhash Kumar, assistant professor of economics at Delhi University.

Budget allocation for silk promotion rose to ₹900 crore from ₹875. India is the world's second-largest producer of silk and its sericulture, or silk production, industry employs an estimated 9.2 million people in rural and semi-urban areas. But it also imports silk from several nations given the high domestic demand for this costly fabric.