

# BUDGET FOR CHILDREN 2026-27

A QUICK ANALYSIS



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The Finance Minister, Ms. Nirmala Sitharaman, presented her ninth consecutive Union Budget, the second of the NDA government in its third term. The Union Budget 2026-27 prioritises 'Viksit Bharat' through infrastructure-led growth, including ₹12.2 lakh Crore capex (up from ₹11.2 lakh crore), fiscal deficit target of 4.3% of GDP, new Income Tax Act 2025 effective April 1, seven sustainable railway corridors (e.g., Mumbai-Pune), rare earths corridors in Odisha/Kerala/Andhra Pradesh/Tamil Nadu, three chemical parks per state (plug-and-play model), and one girls' hostel per district (~780) for education/skilling access.

Chapter 11 of Economic Survey 2025-26, "Education and Health: What Works and What's Next," notes that children and adolescents remain a significant portion of India's population.

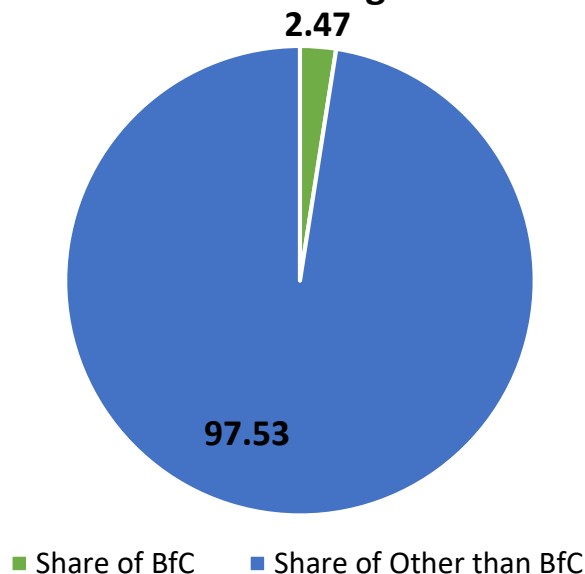
***"In 2024, nearly 27 per cent of India's population was in the school-going age group (3–18 years) even by 2047, this age group will account for over 20 per cent".***

This demographic outlook positions children as central to India's sustained development trajectory, rendering the scope and quality of public investments in them a priority of lasting significance.

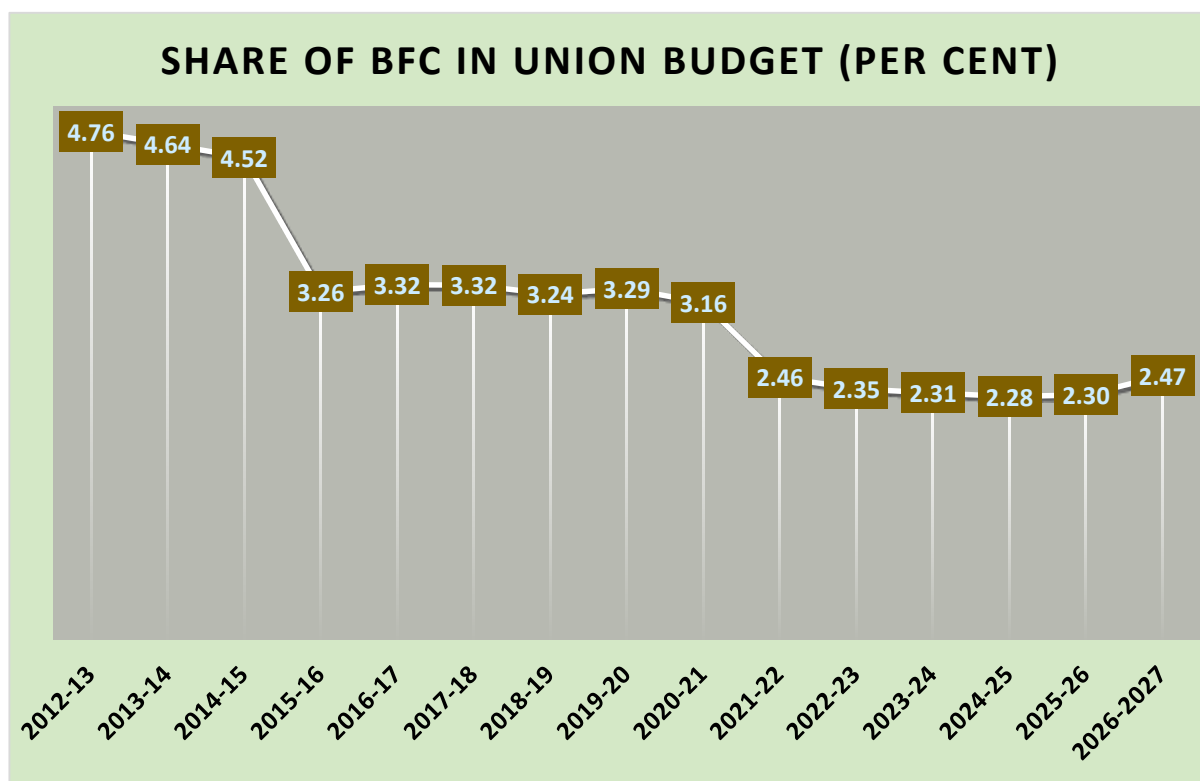
Apart from these promises, it is pertinent to examine that while India celebrated its 77<sup>th</sup> Republic Day few days ago, how children are included within the definition of GROWTH.

Share of Budget for Children has gone from 2.29 per cent in 2025-26 Union Budget to 2.47 per cent in the Union Budget 2026-27, therefore noting an increase of 0.18 percentage points.

### Share of Children in Union Budget 2025-26 (Per Cent)



While there is an increase of 13.92% in the absolute allocation towards Budget for Children in FY 2026-27 with total allocations rising from ₹116132.50 Crore in 2025-26 at BE stage to ₹132296.85 Crore in 2026-27 (BE), the share of children in the Union Budget has grown marginally.

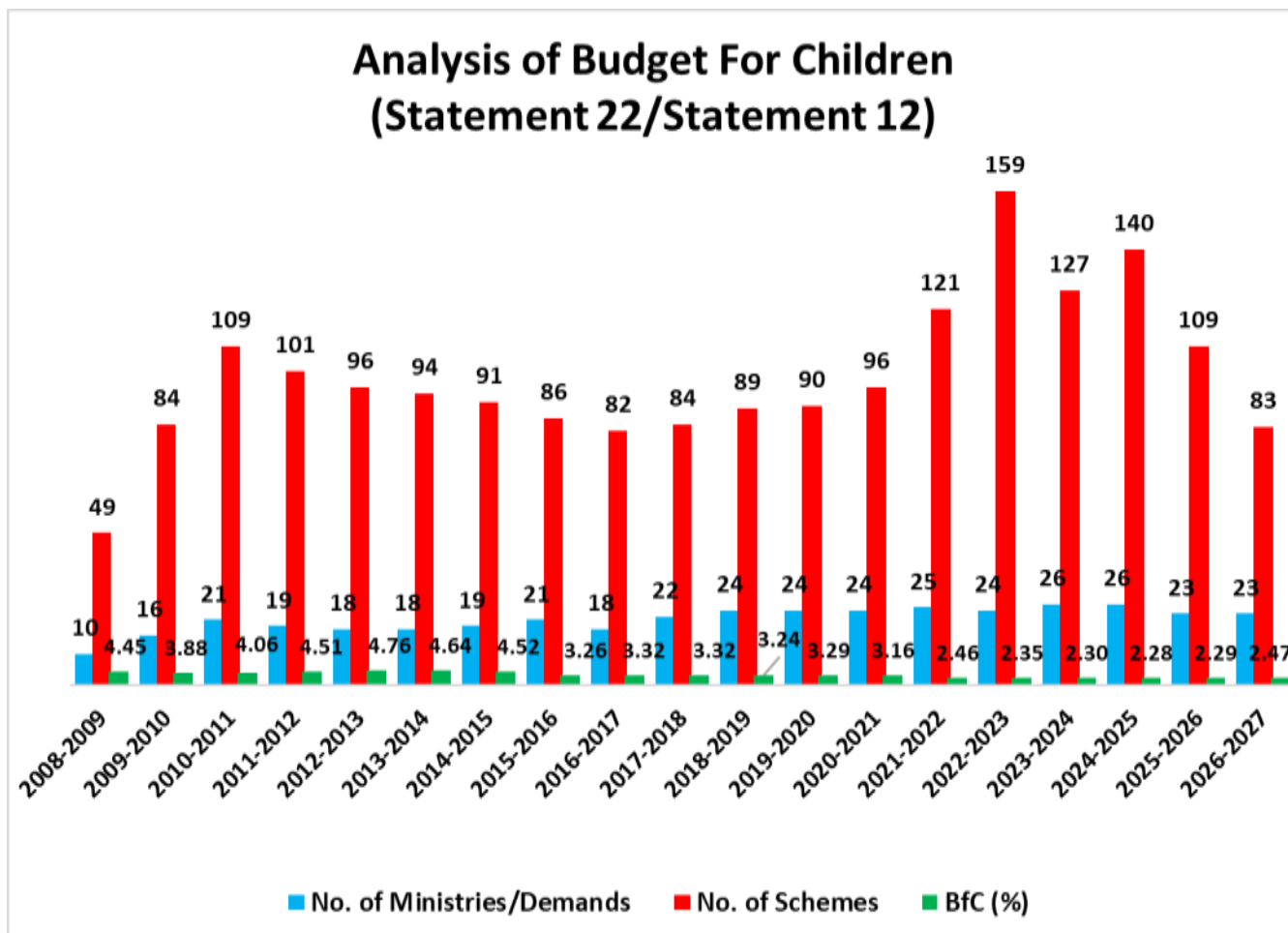


The budget share for children rose marginally from 2.30% in 2025-26 to 2.47% this year, yet it remains below pre-COVID levels seen in 2020-21. This increase falls short of addressing ongoing societal and rights-holders' recovery from pandemic-induced setbacks.

| Sectoral Share within Union Budget 2026-27 and Budget for Children 2026-27 (In Per Cent) |  |             |           |            |                                   |             |           |            |
|--|--|-------------|-----------|------------|-----------------------------------|-------------|-----------|------------|
| Year   | Sectoral Share in Union Budget 2026-27 |             |           |            | Sectoral Share Within BfC 2026-27 |             |           |            |
|  | Health                                 | Development | Education | Protection | Health                            | Development | Education | Protection |
| 2022-23  | 0.09                                   | 0.45        | 1.77      | 0.04       | 3.78                              | 19.22       | 75.31     | 1.70       |
| 2023-24  | 0.08                                   | 0.40        | 1.79      | 0.04       | 3.35                              | 17.46       | 77.50     | 1.73       |
| 2024-25  | 0.09                                   | 0.39        | 1.76      | 0.04       | 4.10                              | 16.96       | 77.36     | 1.63       |
| 2025-26  | 0.09                                   | 0.38        | 1.77      | 0.04       | 4.02                              | 16.53       | 77.28     | 1.57       |
| 2026-27  | 0.22                                   | 0.38        | 1.84      | 0.04       | 8.82                              | 15.35       | 74.49     | 1.49       |

A quick glance at sectoral share reveals that Child Health share in the Union Budget rises notably to 0.22% in 2026-27 from 0.08-0.09% earlier, while Child Development dips slightly to 0.38%. Traditionally, Child Education holds steady around 1.76-1.84%, and Protection remains flat at 0.04% and therefore, this time again, child protection has remained the least prioritised sector in terms of share in the Union Budget 2026-27. The sectoral allocation

continue to reflect the similar trends when it comes to share within the BfC. Within BfC, Education dominates at 74-77% across years, with Development at 15-19% and Health climbing to 8.82% in 2026-27 from ~3-4%. Protection stays minimal at 1.49-1.73%.



### Statement 12 Over the Years

A brief analysis of Statement 22/Statement 12 highlights the number of programmes included as a part of the Budget Statement for Welfare of Children. Initially, when Statement 22 was launched in 2008-09, 10 Ministries/Departments sanctioned a total of 49 schemes/programmes for children giving a total of 4.45 per cent of share of financial resources to children. Over the years, the number of Ministries/Departments kept increasing and so the number of schemes/programmes, but the Budget for Children (BfC) did not see much of change.

In 2010-11, a total of 109 schemes featured in Statement 22 by 21 Ministries/Departments, but the BfC remained a menial 4.06 per cent. On the other hand, in 2012-13, with 18 Ministries floating 96 Programmes/Schemes for children, the share of children observed to be 4.76 per cent, which was the highest share in last 7 years. Further in 2020-21, which is the year of unprecedented pandemic, the number of programmes targeted for the welfare of

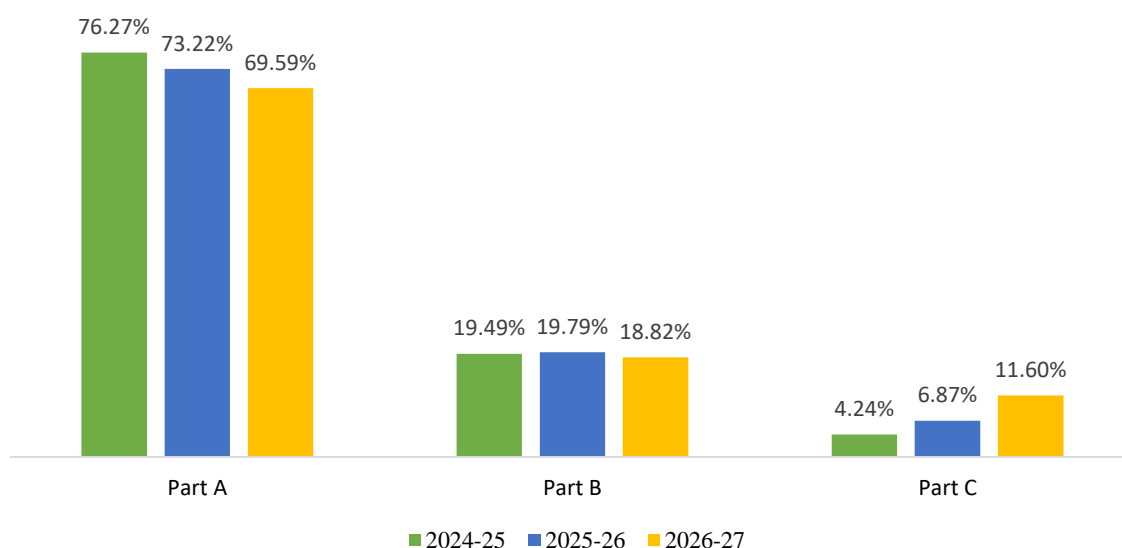
children remained the same as it was in 2012-13 i.e. 96, but the share of children reduced from 4.76 percent in 2012-13 to 3.16 percent. In the Union Budget 2025-26, the number of programmes dropped from 140 programmes in 2024-25 to 109 programmes in 2025-26 with the support of 23 Ministries/Departments, the share of children stood at 2.29 per cent. But the Union Budget 2026-27 observed reduced number of programmes/schemes with a total of 83 programmes, but a slightly increased allocation of 2.47 per cent against previous year.

## Analysis of Budget for Children 2026-27: A Cautious Step Forward Amidst Persistent Gaps

The Union Budget 2026-27 presents Statement 12 with a total allocation of ₹132,296.85 Crores for children's welfare schemes, marking an increase of **13.92%** (₹16,164.35 Crores in absolute terms) over the Budget Estimates (BE) of 2025-26. While this represents a more substantial increase compared to the modest 5.65% growth witnessed in the previous year, critical concerns persist regarding adequacy, sectoral prioritization, and the widening implementation gaps that continue to undermine India's commitment to child rights and development.

This 13.92% increase, while appearing significant on paper, must be contextualized against the backdrop of persistent reductions at Revised Estimates (RE) stage in previous years. In FY 2024-25, allocations were reduced by 8.62% at RE stage, and in FY 2023-24, they were slashed by 10.10% at RE. This trend continued in FY 2025-26 as well with total Budget for Children being revised by 7.05% at RE stage. These systematic downward revisions raise fundamental questions about budgetary planning, implementation capacity, and genuine political commitment to child welfare.

### Share of Part A, Part B & Part C (2024-25 to 2026-27) (Per Cent)



| Distribution of Financial Resources within BfC (₹ Crore) |           |              |           |              |           |              |
|--|-----------|--------------|-----------|--------------|-----------|--------------|
| Year   | PART A    |              | PART B    |              | PART C    |              |
|  | BE        | Share in BfC | BE        | Share in BfC | BE        | Share in BfC |
| 2024-25  | ₹83839.51 | 76.27%       | ₹21422.06 | 19.49%       | ₹4659.38  | 4.24%        |
| 2025-26  | ₹85130.95 | 73.22%       | ₹23012.04 | 19.79%       | ₹7989.51  | 6.87%        |
| 2026-27  | ₹92059.87 | 69.59%       | ₹24892.02 | 18.82%       | ₹15344.96 | 11.60%       |

### Statement 12: Priority-Based Budget Head Categorization

Statement 12 categorizes schemes into three parts based on the proportion of allocation directed toward children:

| Category                      | 2025-26 BE        | 2026-27 BE        | Absolute Change  | % Change      |
|-------------------------------|-------------------|-------------------|------------------|---------------|
| Part A (100% allocation)      | 85,130.95         | 92,059.87         | 6,928.92         | 8.14%         |
| Part B (30-99% allocation)    | 23,012.04         | 24,892.02         | 1,879.98         | 8.17%         |
| Part C (Below 30% allocation) | 7,989.51          | 15,344.96         | 7,355.45         | 92.06%        |
| <b>Total</b>                  | <b>116,132.50</b> | <b>132,296.85</b> | <b>16,164.35</b> | <b>13.92%</b> |

The most striking feature of Statement 12 for FY 2026-27 against BE, is the extraordinary 92.06% increase in Part C allocations, which nearly doubled from ₹7,989.51 Crores to ₹15,344.96 Crores. This surge is primarily attributable to the inclusion of **Jal Jeevan Mission (JJM)** under the Department of Drinking Water and Sanitation with an allocation of ₹6,736.36 Crores. While access to clean drinking water is undeniably critical for child health and development, the ambiguity surrounding the precise child-specific component (below 30%) raises methodological concerns about inflated budget figures.

The flagship scheme for implementing the Right to Free and Compulsory Education Act, **Samagra Shiksha Abhiyan**, receives ₹42,100 Crores, a modest **2.06% increase**. This marginal growth is deeply concerning given that in FY 2023-24, ₹15,843.23 Crores remained unspent by States/UTs, indicating both inadequate fund release mechanisms and weak State capacity. The ASER 2023 survey findings—showing only 86.8% enrolment among 14-18 year-olds and significant learning gaps—underscore that incremental budgetary increases are insufficient to address systemic educational challenges.

The allocation of ₹1,550 Crores for one of the key programmes for Child Protection, **Mission Vatsalya**, represents a meagre **3.33% increase** (₹50 Crores in absolute terms). This is particularly surprising considering that the erstwhile Integrated Child Protection Scheme received ₹1,500 Crores in FY 2020-21—five years ago. Despite revised cost norms in 2024 acknowledging enhanced financial requirements, the allocation has increased by a mere ₹50 Crores, reflecting gross undervaluation of child protection infrastructure, services, and

personnel needs. Given India's child protection crisis with 1.01 crore working children as per 2011 Census, increasing incidents of child abuse, trafficking, and exploitation, this allocation is woefully inadequate and demonstrates the sector's lowest priority status in government planning.

Eklavya Model Residential Schools (EMRS) observed a notable bright spot with **20.27%** increase to ₹7,200 Crores, reflecting heightened focus on tribal education. With 476<sup>1</sup> operational schools benefiting approximately 1,33,929 students out of 715 sanctioned schools, this allocation may accelerate infrastructure completion and new school establishments.

The **5.19%** increase to ₹19,635 Crores for **Saksham Anganwadi and Poshan 2.0** is relatively better but remains inadequate given the scheme's comprehensive mandate covering 8 crore children, 1 crore pregnant women and lactating mothers, and 20 lakh adolescent girls in aspirational districts and the north-east region. (*Budget Speech 2025-26*) While 92,108 Anganwadi Centres<sup>2</sup> have been approved for upgradation to Saksham AWCs, the pace of transformation requires substantially higher investment.

The allocation for **PM SHRI** has stagnated at ₹7,500 Crores, showing zero growth. The scheme's ambitious target of establishing 14,500 PM SHRI schools appears increasingly disconnected from budgetary and implementation realities.

The allocation of ₹12,749.99 Crores for **PM POSHAN** represents a mere **2.00%** increase, compared to ₹12,500 crore in BE 2025-26 and ₹10,600 crore in RE 2025-26, suggesting partial restoration after mid-year compression but still limited growth against coverage and inflation. This is alarming when contextualized against India's nutrition crisis:

- **Global Hunger Index 2025:** India ranks 102th out of 123 countries
- **Stunting:** 35.5% of children under 5 years affected (NFHS-5)
- **Wasting:** 19.3% prevalence, among the highest globally
- **Anaemia:** 67.1% of children aged 6-59 months anaemic (increased from 58.6% in 2016)
- **Overweight:** Excess weight<sup>3</sup> among children under five has risen from 2.1 per cent in 2015-16 to 3.4 per cent in 2019-21.

The allocation is also lower than the ₹12,700 Crores allocated in FY 2021-22, demonstrating a concerning backward trajectory.

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<sup>1</sup> LOK SABHA UNSTARRED QUESTION NO- 2858 TO BE ANSWERED ON- 12/12/2024.

<sup>2</sup> LOK SABHA UNSTARRED QUESTION NO: 2031 TO BE ANSWERED ON 02.08.2024.

<sup>3</sup> According to estimates, over 3.3 crore children in India were obese in 2020, and it is projected to reach 8.3 crore children by 2035 (World Obesity Atlas 2024). India is one of the fastest-growing markets for Ultra Processed Food sales. It grew by more than 150 per cent from 2009 to 2023 ([https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(25\)01567-3/abstract](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(25)01567-3/abstract)). Retail sales of UPFs in India surged from USD 0.9 billion in 2006 to nearly USD 38 billion in 2019, a 40 fold rise ([https://icrier.org/pdf/Ultra\\_Processed\\_Food.pdf](https://icrier.org/pdf/Ultra_Processed_Food.pdf)). It is during the same period that obesity has nearly doubled in both men and women. This mirrors the global rise of obesity, parallel to dietary shifts. <https://www.nature.com/articles/s41574-025-01143-7>



Figure 1: With a score of 25.8 in the 2025 Global Hunger Index, India has a level of hunger that is serious.

Atal Tinkering Labs received a significant allocation of ₹3,200 Crores is a welcome step in the current Union Budget. The allocations for this scheme rose from a notional ₹500 crore in RE 2025-26 and zero in BE 2025-26, is a signal of the government's emphasis on STEM education and innovation culture among school children. This represents a positive policy direction, though effectiveness will depend on implementation quality and geographical reach.

| Allocations towards Key Ministries/Departments         |            |            |          |          |
|--|------------|------------|----------|----------|
| Ministry/Department                                    | 2025-26 BE | 2026-27 BE | Change   | % Change |
| Department of School Education & Literacy              | 76,515.87  | 82,165.91  | 5,650.04 | 7.38%    |
| Ministry of Women & Child Development                  | 20,642.49  | 21,685.49  | 1,043.00 | 5.05%    |
| Ministry of Tribal Affairs                             | 6,693.62   | 8,028.48   | 1,334.86 | 19.94%   |
| Department of Health & Family Welfare                  | 4,664.09   | 4,929.67   | 265.58   | 5.69%    |
| Department of Social Justice & Empowerment             | 4,487.80   | 4,808.80   | 321.00   | 7.15%    |
| Ministry of Minority Affairs                           | 424.00     | 484.00     | 60.00    | 14.15%   |
| Department of Empowerment of Persons with Disabilities | 234.17     | 255.16     | 20.99    | 8.96%    |
| Department of Drinking Water & Sanitation              | 0.00       | 6,736.36   | 6,736.36 | NEW      |
| Ministry of Youth Affairs & Sports                     | 25.00      | 58.41      | 33.41    | 133.64%  |
| Ministry of Skill Development & Entrepreneurship       | 0.00       | 156.38     | 156.38   | NEW      |



Figure 2: Last Accessed on 01.02.2026 at 3:32 PM

Department of School Education and Literacy continues to command the lion's share with ₹82,165.91 Crores (62.1% of total Budget for Children), reflecting a **7.38%** increase. This dominance is consistent with previous years but raises questions about balanced sectoral investment in holistic child development.

Ministry of Women and Child Development receives ₹21,685.49 Crores (**5.05%** increase), substantially lower than inflation-adjusted requirements given the expanded mandate under Saksham Anganwadi and Poshan 2.0 and Mission Vatsalya.

Ministry of Tribal Affairs shows impressive **19.94%** growth to ₹8,028.48 Crores, primarily driven by EMRS expansion and tribal welfare programmes. This is a positive development addressing historical marginalization of tribal children.

Department of Health and Family Welfare allocation of ₹4,929.67 Crores represents only **5.69%** increase, inadequate for addressing child health challenges including infant mortality (28 per 1000 live births), maternal mortality (97 per 100,000 live births), and universal immunization gaps.

Ministry of Minority Affairs sees **14.15%** increase to ₹484 Crores, a partial recovery from 72% reduction in FY 2025-26 that had gutted scholarship schemes and madarsa education support.

The inclusion of Department of Drinking Water and Sanitation (₹6,736.36 Crores for Jal Jeevan Mission) and Ministry of Skill Development and Entrepreneurship (₹156.38 Crores) expands the scope of Statement 12, though the child-specific proportion remains ambiguous in Part C allocations.

| Allocations towards Flagship Schemes in the Union Budget 2026-27 |               |               |                             |             |
|--|---------------|---------------|-----------------------------|-------------|
| Programme  | 2025-26<br>BE | 2026-27<br>BE | Absolute Change<br>(Crores) | %<br>Change |
| Samagra Shiksha  | 41250         | 42100         | 850                         | 2.06        |
| PM POSHAN  | 12500         | 12749.99      | 249.99                      | 2           |
| PM SHRI  | 7500          | 7500          | 0                           | 0           |
| Eklavya Model Residential Schools<br>(EMRS)                      | 5986.44       | 7200          | 1213.56                     | 20.27       |
| Saksham Anganwadi & Poshan 2.0                                   | 18666         | 19635         | 969                         | 5.19        |
| Mission Vatsalya   | 1500          | 1550          | 50                          | 3.33        |
| Atal Tinkering Labs (NEW)  | 0             | 3200          | 3200                        |             |
| National Means-cum-Merit Scholarship                             | 374           | 381           | 7                           | 1.87        |
| Pre-Matric Scholarship (SC & Others)                             | 577.96        | 577.96        | 0                           | 0           |
| Post-Matric Scholarship (SC)                                     | 3052.8        | 3052.8        | 0                           | 0           |

Despite an overall rise in the Budget for Children, allocations for some of the critical scholarship schemes remain effectively stagnant, undermining support for the most vulnerable children. PM SHRI sees no increase at all, holding at ₹7,500 crores, while key scholarships for children belonging to Scheduled Caste, *Pre-Matric Scholarship for SC students* at ₹577.96 crores and Post-Matric Scholarship for SC students at ₹3,052.80 crores, show **0%** growth. Similarly, the National Means-cum-Merit Scholarship rises by only **1.87%** (₹7 crores)

in FY 2026-27 Union Budget. Such flat or negligible enhancement in schemes explicitly designed for children from marginalized communities runs counter to the stated goals of equity, inclusion, and reducing educational disadvantage.

The discontinuation of **National Child Labour Project (NCLP)**<sup>4</sup> in FY 2025-26 remains unaddressed in FY 2026-27. With 1.01 crore working children (2011 Census) and likely increases due to COVID-19 economic impacts, this policy vacuum is alarming. The proposed merger with Samagra Shiksha does not seem to have translated into visible budgetary provisions or programmatic integration as there is only **2.06%** increase towards the allocation for Samagra Shiksha Abhiyan in 2026-27 Union Budget.

Child health continues to receive a very small slice of the Union Budget, with only modest growth in 2026-27. Under Statement 12, the overall child-health component anchored in the Department of Health and Family Welfare rises from ₹4,480.93 crore in 2025-26 BE to ₹4,747.45 crore in 2026-27 BE (about **6%** growth), and is reflected in its share in the total Union Budget with a share of 0.22%.

The **Flexible Pool for RCH, Health System Strengthening, National Health Programme and National Urban Health Mission** increases from ₹4,330.43 crore (2025-26 BE) to ₹4,591.58 crore (2026-27 BE), a rise of around **6%**, after almost flat trends in earlier years. This is positive in nominal terms but limited when set against persistent gaps in child and adolescent health outcomes (high anaemia, pockets of high under-5 mortality), and it does not reflect any visible, ring-fenced expansion for emerging needs such as adolescent health, mental health or school-based preventive services.

Allocations for child-specific facilities like **Kalawati Saran Children's Hospital** are effectively stable (₹183.16 crore in 2025-26 BE vs ₹182.22 crore in 2026-27 BE), while the earlier child-relevant head "Manufacture of Sera and BCG Vaccine", which already faced cuts in 2025-26, no longer appears with a separate child-tagged allocation in Statement 12 for 2026-27. Taken together, these patterns suggest that the 2026-27 Budget maintains a conservative, continuity-oriented stance on child health, rather than using fiscal space to scale up immunisation, paediatric services or adolescent-health interventions in line with NFHS-5 and Poshan Tracker evidence.

**Saksham Anganwadi and POSHAN 2.0** see only a modest nominal increase despite huge responsibilities. Under Part B of Statement 12, Saksham Anganwadi and POSHAN 2.0 (Umbrella ICDS – Anganwadi Services, Poshan Abhiyan, and Scheme for Adolescent Girls) goes

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<sup>4</sup> NCLP Scheme has been appraised for its continuation beyond 31<sup>st</sup> March 2021 in terms of relevant instructions of Ministry of Finance and it has been decided to subsume / merge the scheme with Samagra Shiksha Abhiyan (SSA) Scheme in phased manner as under:-

- i. Project Society, currently operational, to be allowed to continue till enrolled children are mainstreamed in formal education system.
- ii. The pending/committed liability for grant in aid and stipend to be cleared.
- iii. No permission to be given for opening of new Special Training Centre (STC) under NCLP Scheme.
- iv. No fresh enrolment of children in STC under NCLP.
- v. The survey report, received in the Ministry of Labour & Employment, to be forwarded to Department of School Education and Literacy for enrolment of children in the concerned STC.

<https://www.pib.gov.in/Pressreleaseshare.aspx?PRID=1849795&reg=3&lang=2>

from ₹18,666 crore in 2025-26 BE to ₹19,635 crore in 2026-27 BE, an increase of about **5.2%**. This is positive but modest relative to their vast coverage which includes early childhood nutrition, pre-school care, growth monitoring and adolescent girls' nutrition, suggesting that the 2026-27 Budget largely maintains status quo rather than significantly scaling up resources to address worrying levels of stunting, wasting and anaemia highlighted in NFHS-5 and Poshan Tracker data.

The Union Budget 2026-27 protects the centrality of Anganwadis in child nutrition but does not visibly reflect the promised "enhanced cost norms." The Finance Minister's 2025-26 speech committed that, under **Saksham Anganwadi and Poshan 2.0**, cost norms for nutritional support would be "enhanced appropriately" for over 8 crore children, 1 crore pregnant/lactating women and about 20 lakh adolescent girls, especially in aspirational districts and the North-East. However, the 2026-27 allocation of ₹19,635 crore, while higher than the previous year's BE, does not indicate a step-change in funding that would clearly underwrite significantly higher per-beneficiary entitlements; rather, it is a moderate uplift that risks being absorbed by inflation and routine programme costs.

Infrastructure upgrading to "**Saksham Anganwadis**" advances, but without a commensurate leap in overall nutrition financing. **Mission Poshan 2.0** aims to upgrade 2 lakh Anganwadi Centres into "Saksham Anganwadis" (about 40,000 per year) with improved infrastructure such as better buildings, internet/Wi-Fi, LED screens, Poshan Vatikas and ECCE materials, and by 2023-24 around 92,108 AWCs had already been approved for upgradation with about ₹526.76 crore sanctioned for this purpose. The 2026-27 BE for Saksham Anganwadi & Poshan 2.0 does not reflect a large one-time jump that would accelerate or deepen this upgrade drive; instead, the modest increase suggests that infrastructure improvement and supplementary nutrition will have to compete within a relatively tight envelope, raising questions about the pace and quality of transition to truly "Saksham" centres on the ground.

Looking across Statement 12, the totality of explicitly child-protection-related heads (**Mission Vatsalya, NCPDR, CARA and protection components within Mission Shakti**) translates into 1.49% of the Budget for Children and about 0.04% of the overall Union Budget, **unchanged** from 2025-26. This means that, despite rising evidence of violence, exploitation, online risks and psycho-social distress, child protection remains the smallest sector within BfC, with no major new scheme or scaled-up line item dedicated to preventive services (counselling, safe-school systems, online safety) or community-level child-protection mechanisms in 2026-27.

## **CONCLUSION**

Overall, the Union Budget 2026-27 offers only a cautious, incremental response to children's needs: while the Budget for Children grows by 13.9% in absolute terms and its share in the Union Budget inches up from 2.29% to 2.47%, this remains below pre-COVID levels and far short of what a 27% child population and widening learning, nutrition and protection deficits demand. The modest strengthening of child health (with its Union-Budget share rising from 0.09% to 0.22%) and targeted gains in schemes like EMRS and Saksham Anganwadi & Poshan 2.0 sit uneasily alongside stagnation in core programmes such as Samagra Shiksha, PM

POSHAN and Mission Vatsalya, and the near-flat 0.04% share for child protection, revealing a pattern in which children are acknowledged in rhetoric but not placed at the centre of fiscal decision-making.