

The Hindu SimpLEfied

Daily News Analysis | 2nd February 2026



Your Daily Cheat Sheet for Competitive Exams.

Producer's Note:
Focus: Union
Budget Special &
Global Updates



The Headliner: Union Budget 2026-27

Key Highlights

- **Historic Milestone:** FM Nirmala Sitharaman presents her record 9th consecutive Budget.
- **The Theme:** A 'Strategic Choice' amidst global uncertainty, supply chain disruptions, and resource constraints.
- **The Goal:** Maintain Fiscal Discipline while pushing for Productivity and Employment Generation.

Student Takeaway

Exam Focus: The strategy is integrating India with global markets and attracting long-term investments.



Numbers to Remember (Exam Essentials)

4.3%

Fiscal Deficit Target (2026-27). This is a moderation from previous targets (4.4% in FY26), signaling the government is tightening its belt.

41%

Tax Devolution Share for States. Note: Southern states are set to receive a hike in in their share.

The Wallet Watch: Taxes & Customs

Direct Tax

- **Major Update:** New Income Tax Act effective April 1, 2026.

→ *Important date!
New law soon.*

- **Objective:** To replace the 1961 Act with a law that is concise, lucid, and easy to understand.

→ *Goal: Simplify language for everyone.*

Getting Costlier



Item: Soaps & Detergents

- **Reason:** Levy on Potassium Hydroxide hiked from nil to 7.5%.

↑
*Price Hike Alert!
Note the increase.*

Getting Simpler



Item: Cargo Clearance

- **Update:** A single, interconnected digital window for clearance will be rolled out within two years.

Future Focus: Single Digital Window for faster process!

↑
Timeline for rollout.

Sector Highlights: Where is the Money Going?



Tourism (Employment Focus)

- **Upskilling:** Pilot scheme to train **10,000** tourist guides.
- **Digital Push:** 'National Destination Digital Knowledge Grid' to document cultural sites.
- **Northeast Focus:** Budget Revised Estimate for FY26 was **₹1,310.30 crore.**
- **Aviation:** Incentives for manufacturing training aircraft and seaplane operations.



Agriculture & Allied Sectors

- **Livestock & Fisheries:** New schemes and increased funding to strengthen these sectors.

Urban Development: Rhetoric vs. Arithmetic



The Vision:

Cities are described as 'Engines of Development' and sites of future opportunity.

Engines of Development?
Where's the fuel?

The Reality Check:

Data shows the urban sector is quietly **absorbing fiscal contraction** (budget cuts) rather than receiving a boost, despite the 'Viksit Bharat' vision.

Budget cuts = contraction.
Reality Check!

Viksit Bharat needs funding!

High rhetoric,
low funding =
the real
challenge.

Global Updates: The Chabahar Freeze



Internal Security: NATGRID Funding Slashed

-27.11% 

Significant Cut!

Funds for the National Intelligence Grid (NATGRID) have been **cut** by over 27%.



Concept Check: What is NATGRID?

It is the grid connecting databases of security and intelligence agencies to provide real-time data for combating terrorism.

Impact on counter-terrorism?

Budget cut = hindered real-time intel sharing. Major security concern.

Political Watch

Navjot Kaur Sidhu Quits Party

Following her suspension over controversial remarks, Navjot Kaur Sidhu has announced her resignation.

Context: The resignation follows a statement suggesting that anyone giving a 'suitcase of ₹500 crore' could become Chief Minister.

A very controversial statement!



Society & Culture: Fading History



The Story of Paul Wen (71)

Aging population challenge.

- **Location:** Kolkata's Chinatown.
- **Context:** Struggling with vision loss and mobility, Paul walks daily because he has “no one left to share his life with.” His story highlights the aging population and fading vibrancy of this historic community.

Poignant reflection on community decline & isolation.



Tech & Society: Accessibility for All

The Discussion: Technology must intuitively cater to users with disabilities.

The Proposal: Government should incentivize corporate firms to create accessible systems through:

- Taxation Benefits
- CSR (Corporate Social Responsibility)

Funds

→ *Policy levers for change.*

“It is not that we lack technology... rather, we don’t know [how to apply apply it].”

- Mr. Tommy.

→ *Crucial insight on implementation gap!*

Sports Corner

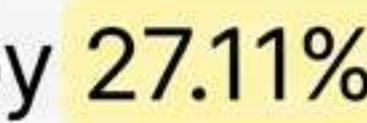
Event: U-17 Women's Football

Update: India's 'Young Tigresses' are in Pokhara, Nepal.

Action: Gearing up for a stringent test against Bangladesh.

Crucial match for the 'Young Tigresses'!

Quick Recap (The ‘Too Long; Didn’t Read’)

- Budget Deficit:** Target set at 4.3% (Aiming for discipline). 
- Tax Update:** New Income Tax Act coming April 1, 2026.
- Geopolitics:** Chabahar Port funding cut to zero due to US tariffs.
- Security:** NATGRID budget slashed by 27.11%. 
- Customs:** Potassium Hydroxide levy hiked (Soaps get costlier). 

See you in the next analysis! Keep reading.