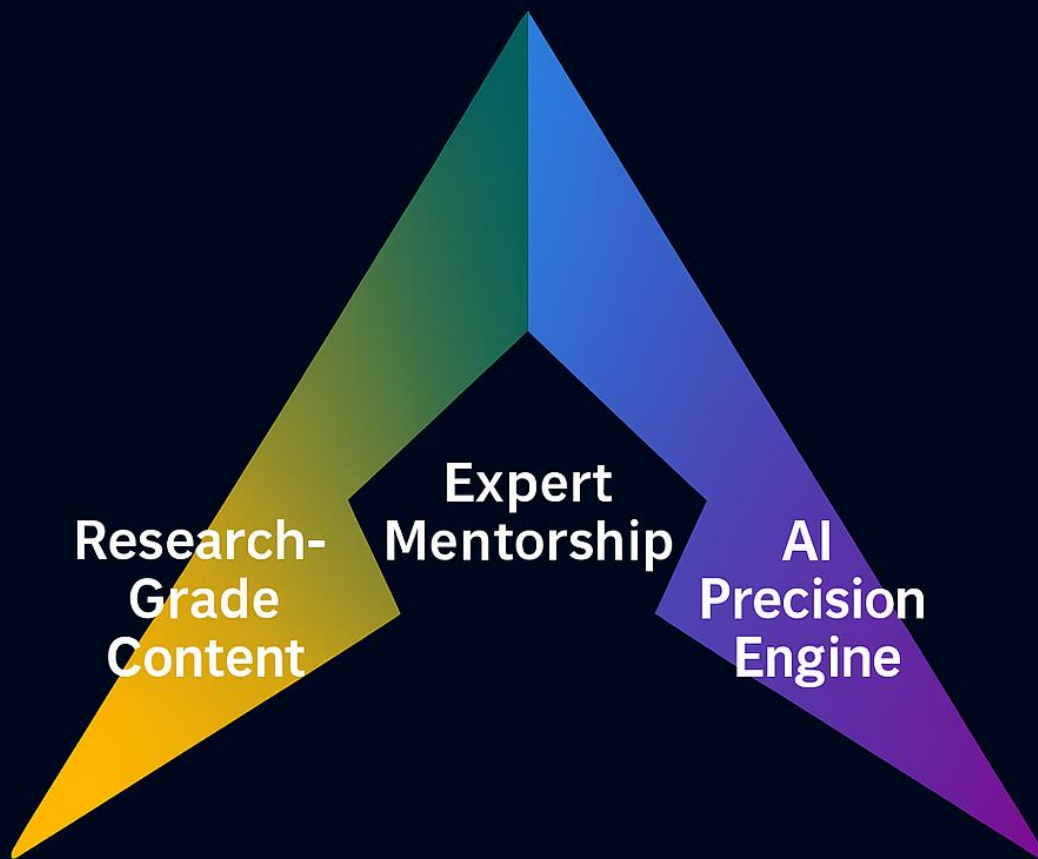


PrepAlpine

The Next-Generation UPSC Institution

Where Research Meets Mentorship & Precision



Preparation Meets Precision

A Next-Generation Learning Institution

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PrepAlpine — Where Research-Grade Content Meets Mentorship, and AI Makes It Personal

PrepAlpine is India's next-generation UPSC institution — built by educationists, retired bureaucrats, IITians, and experienced educators, and powered by a 500+-member technology firm specialising in AI-driven education infrastructure.

We're not another coaching platform — we're a complete preparation ecosystem that unites:

- **Research-Grade Content:**

Every content is crafted and reviewed by civil servants, educators, and scholars, and follows UPSC's Intro–Body–Conclusion format. Content is built from official reports, verified data, and visual pedagogy — flowcharts, frameworks, maps, and comparative tables.

- **Two-Tier Mentorship:**

Interview-qualified mentors and Subject-Matter Experts provide structured strategy, accountability, doubt-solving, and exam-aligned depth — bridging the gap between preparation and performance.

- **AI Precision Engine:**

Developed with our 500+-member AI & EdTech partner firm, the PrepAlpine AI system integrates Retrieval-Augmented Generation (RAG), adaptive MCQ engines, AI-based answer evaluation, and intelligent revision tracking. It continuously identifies each learner's strengths, weaknesses, and learning patterns — ensuring preparation evolves dynamically with every step.

This fusion of research-grade content + expert mentorship + enterprise-grade AI technology has created a credible, scalable, and aspirant-first platform.

Every PrepAlpine module is built not just to inform, but to transform — converting effort into precision and hard work into predictable progress.

We're reimagining UPSC preparation as a research-led, mentor-guided, AI-personalised journey that adapts to every aspirant.

PrepAlpine — From Aspirant to Authority. Lead the State, Not the Struggle.

DAILY CURRENT AFFAIRS DATED 19.11.2025

GS Paper III: Economics

1. Interpreting CPI Inflation: How Base Effects and Bullion Prices Distort Headline Trends

a. Introduction

Consumer Price Index (CPI) inflation measures how much the prices of a typical basket of goods and services have changed compared to the same month in the previous year. While the number appears straightforward, it can be deeply misleading if interpreted without understanding the base effect and the influence of volatile commodities like gold and silver. These mathematical and commodity-driven distortions can make inflation appear unusually low or unexpectedly high, even when households experience little relief or no real rise in prices.

b. The Base Effect: How Last Year Shapes This Year's Inflation

i. Meaning of the Base Effect

The base effect refers to the impact of last year's price level on the current year-on-year inflation calculation.

- Since inflation is calculated against the same month of the previous year, last year's price becomes the denominator.
- A high denominator makes the inflation reading look smaller, even if current prices remain high.
- A low denominator makes inflation look larger, even if prices have risen only slightly.



ii. Favourable vs Unfavourable Base

Favourable Base Effect:

Last year's prices were unusually high → current inflation appears low, even without genuine price relief.

Unfavourable Base Effect:

Last year's prices were unusually low → current inflation appears high, even when consumers may not feel a major price rise.

Illustration:

In the recent October inflation reading, a favourable base alone reduced headline CPI by over one percentage point, despite persistent price pressures on households.

c. Why CPI Inflation Recently Appeared Extremely Low

i. Dominance of the Favourable Base Effect

- Last year saw sharp spikes in food prices.
- This created a high base, mechanically compressing the YoY inflation reading.
- Households continued to face high absolute prices, but the percentage comparison made inflation seem close to zero.

ii. Additional Temporary Influences

- Bullion prices surged by over 50%, pushing inflation upward despite the base effect.
- GST reductions briefly softened certain prices, providing temporary relief before firms reversed part of the cuts.

d. Bullion's Influence: How Gold and Silver Move the CPI

i. Small Weight, Large Impact

- Gold and silver together account for slightly over 1% of the CPI basket.
- Despite the small weight, their prices grew by more than 50%, causing a disproportionately strong impact on the inflation number.

ii. Preventing Negative Inflation

- Without the bullion surge, headline CPI would have slipped just below zero.
- Bullion thus acted as a “mathematical cushion” that prevented negative inflation, masking the full impact of the high base.
- It highlights how extreme price movements of a few items can distort the headline trend.

e. Impact of Goods and Services Tax (GST) Adjustments

i. One-Time Drop in Prices

- A set of GST reductions led to immediate price cuts in September.
- These declines were one-off, reflecting taxation changes rather than underlying market forces.

ii. Partial Reversal by Firms

- Many firms—especially online platforms—later revised prices upward, reducing the net benefit.
- This shows GST-driven relief is usually short-lived and cannot anchor inflation trends in the long run.

f. What Lies Ahead for CPI Inflation

i. Base Effect Turning Unfavourable

- In the coming months, comparisons will shift to periods when last year's prices were relatively low.
- The same current prices will now produce higher inflation readings, due purely to arithmetic.

ii. Expected Rise in Food Inflation

- Food prices are particularly sensitive to the base effect.
- Even stable prices may generate a visible rise in YoY inflation.

iii. Continued Volatility From Bullion

- Gold and silver prices depend on global risk sentiment, interest rates, and geopolitical uncertainty.
- They may continue to add volatility to CPI inflation trends.

Conclusion

The recent softness in CPI inflation reflects mathematical compression by a favourable base effect rather than genuine relief in consumer prices. Sharp increases in bullion prices and temporary GST-driven adjustments further distorted the headline figure. This episode highlights a crucial lesson: headline inflation can mislead if viewed in isolation. A proper understanding of the base effect and the contribution of volatile commodities is essential for accurate economic interpretation and policymaking.

GS Paper III: Environment

2. Dugongs in India: Habitat, Ecological Role, and Threats

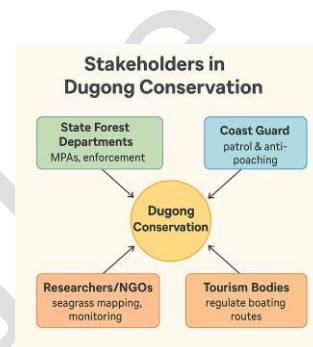
a. Introduction

Dugongs, popularly called sea cows, are large, gentle marine mammals found in shallow tropical waters across the Indo-Pacific. They feed exclusively on seagrass, making them one of the few fully herbivorous marine mammals in the world. Their calm nature, slow movements, and dependence on fragile coastal habitats make them highly vulnerable to human impacts. In India, the species (*Dugong dugon*) is listed as Vulnerable on the IUCN Red List and placed under Schedule I of the Wildlife Protection Act, 1972—providing it the highest legal protection.

b. Distribution and Habitat in India

i. Geographic Distribution

- India hosts dugongs in only three coastal regions, indicating how restricted their range has become.
- The Gulf of Mannar and Palk Bay (Tamil Nadu) hold the largest population.
- Smaller groups survive in the Gulf of Kutch (Gujarat) and around the Andaman and Nicobar Islands.



ii. Habitat Characteristics

- All these regions contain shallow, warm, calm waters ideal for seagrass growth.
- Dugongs depend entirely on seagrass meadows, making these habitats crucial for feeding and movement.
- Any decline in seagrass equals a decline in dugongs, reflecting their tight ecological linkage.

c. Ecological Importance of Dugongs

i. Ecosystem Engineers of the Coast

- Dugongs graze on seagrass, trimming older leaves and stimulating new growth.
- This prevents meadows from becoming overgrown or decaying.
- Their grazing maintains the productivity and health of seagrass ecosystems.

ii. Strengthening Coastal Fisheries

- Seagrass meadows function as nurseries for many fish species.
- Healthy seagrass supports richer biodiversity, which benefits local fishing communities.

iii. Blue-Carbon Benefits

- Seagrass ecosystems store carbon efficiently and are recognised as important blue-carbon systems.
- By maintaining seagrass health, dugongs indirectly support long-term carbon storage, aiding climate moderation.

d. Major Threats to Dugongs in India

i. Habitat Loss and Degradation

- Seagrass meadows are highly sensitive to disturbance from coastal development, dredging, port expansion, and tourism.
- Bottom-trawling destroys seagrass beds directly.

- Loss of seagrass removes their sole food source, leading to starvation and migration.

ii. Accidental Catch and Collisions

- Entanglement in gillnets is a major cause of death; dugongs drown when they cannot surface for air.
- Boat strikes in shallow waters cause severe injuries or mortality.

iii. Pollution and Illegal Hunting

- Industrial effluents, plastics, and oil spills reduce water clarity, affecting seagrass photosynthesis.
- Occasional illegal hunting persists in some areas for meat and oil.

iv. Climate-Change Pressures

- Rising sea levels and more frequent storms damage seagrass meadows.
- Warming seas shift dugong feeding grounds and reduce seagrass resilience.

e. Conservation Measures in India

i. Strong Legal and Policy Framework

- Dugongs enjoy Schedule I protection under the Wildlife Protection Act.
- India's commitments under the Convention on Migratory Species (CMS) reinforce their global conservation priority.

ii. Government Programmes and Protected Areas

- The Dugong Recovery Programme under CAMPA supports research, habitat protection, and awareness.
- Tamil Nadu has proposed India's first Dugong Conservation Reserve in Palk Bay.
- Seagrass restoration projects are ongoing in the Andaman & Nicobar Islands, Gulf of Mannar, and Palk Bay.

iii. Community Participation

- Fishing communities are being trained to avoid destructive gear and report sightings.
- Community-based monitoring helps in early detection of threats.
- Local involvement ensures long-term stewardship of coastal resources.

f. Way Forward

i. Strengthening Habitat Protection

- Marine Protected Areas should be expanded in regions where dugongs survive.
- Stricter regulation of destructive trawling practices is essential.

ii. Scaling Up Seagrass Restoration

- Large-scale restoration programmes must be expanded across all three dugong regions.
- Regular water-quality monitoring will help maintain seagrass health.

iii. Using Technology for Monitoring

- Tools such as GPS tagging, drone surveys, and acoustic monitoring can aid scientific tracking.
- These technologies help detect movement, feeding behaviour, and emerging threats early.

iv. Sustainable Coastal Livelihoods

- Promoting alternative livelihoods will reduce fishing pressure in critical habitats.
- Community-led stewardship is crucial for long-term protection.

Conclusion

Dugongs play an irreplaceable ecological role in maintaining healthy seagrass ecosystems, supporting fisheries, and contributing to blue-carbon storage. Their restricted distribution and dependence on fragile habitats make them exceptionally vulnerable to human disturbance, pollution, habitat loss, and climate change. Strengthening habitat protection, expanding seagrass restoration, regulating destructive fishing practices, and involving coastal communities are essential for securing the species' future. With sustained efforts, India can ensure that the dugong—a gentle giant of the sea—survives in its coastal waters for generations to come.

Reader's Note — About This Current Affairs Compilation

Dear Aspirant,

This document is part of the PrepAlpine Current Affairs Series — designed to bring clarity, structure, and precision to your daily UPSC learning.

While every effort has been made to balance depth with brevity, please keep the following in mind:

1. Orientation & Purpose

This compilation is curated primarily from the UPSC Mains perspective — with emphasis on conceptual clarity, analytical depth, and interlinkages across GS papers.

However, the PrepAlpine team is simultaneously developing a dedicated Prelims-focused Current Affairs Series, designed for:

- factual coverage
- data recall
- Prelims-style MCQs
- objective pattern analysis

This Prelims Edition will be released separately as a standalone publication.

2. Content Length

Some sections may feel shorter or longer depending on topic relevance and news density. To fit your personal preference, you may freely resize or summarize sections using any LLM tool (ChatGPT, Gemini, Claude, etc.) at your convenience.

3. Format Flexibility

The formatting combines:

- paragraphs
- lists
- tables
- visual cues

—all optimised for retention.

If you prefer a specific style (lists → paras, paras → tables, etc.), feel free to convert using any free LLM.

4. Monthly Current Affairs Release

The complete Monthly Current Affairs Module will be released soon, optimized to a compact 100–150 pages — comprehensive yet concise, exam-ready, and revision-efficient.

5. Join the PrepAlpine Discord Community

Be part of India's Smartest UPSC Peer Ecosystem → <https://discord.gg/ycrDpXxv>

What You'll Experience

- **Peer-to-Peer Discussions**
Subject-wise channels for GS papers, Ethics, Economics, Polity, Geography, Environment, and Optional subjects.

- **Focused Study Circles**

Deep-dive groups for Optionals (PSIR, Sociology, Geography, Anthropology, etc.) and critical GS themes.

- **Insight Threads**

Collaborative micro-notes, doubt resolutions, PYQ-linked discussions, and peer-reviewed clarity.

- **Community Sessions**

Weekly “Open Mic” sharing sessions where learners discuss strategies, mistakes, breakthroughs, and lessons from their UPSC journey.

- **An Evolving Learning Culture**

A serious, supportive, and intelligent peer environment — no noise, no clutter. Learning grows here through interaction, reflection, and structured peer collaboration.

“From Isolation to Interaction — Learn the UPSC Way, the Smart Way.”

6. Suggest Topics for Coverage

If you feel any important theme is missing or under-covered, simply post it in the “Suggestions” channel on our Discord server.

Our content team regularly reviews inputs and includes relevant suggestions in upcoming Monthly Current Affairs Modules.

Beyond daily updates, the PrepAlpine Discord functions as a complete UPSC learning ecosystem — offering free peer mentorship, structured discussions, practice threads, AI-powered micro-learning tools, and a community of serious aspirants working together.

Together, these resources embody the PrepAlpine vision:

Better Content. Smarter Mentorship. Intelligent Preparation.

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