



Retail inflation at 7-month low as food prices decline

ECONOMY

India's retail inflation dipped to a seven month low of 3.6% as food prices eased in February 2025, led by vegetables, pulses, and eggs. The annual change in consumer prices was 4.26% in January 2025. The increase in the Consumer Price Index (CPI), which measures the retail prices, has slowed for the fourth consecutive month and is now lower than the Reserve Bank of India's (RBI) target inflation of 4%. This increases the likelihood of another 0.25% repo rate cut by the RBI next month, say economists



About Retail Inflation

Retail inflation, also known as Consumer Price Index (CPI) inflation, tracks the change in retail prices of goods and services which households purchase for their daily consumption.

CPI is calculated for a fixed basket of goods and services that may or may not be altered by the government from time to time.

The change in the price index over a period of time is referred to as CPI-based inflation, or retail inflation.

What Does the CPI tell? Following are a few things that the CPI index interprets:

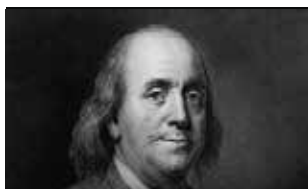
- Cost of living
- The purchasing power of consumers
- The expensiveness of different articles that consumers buy and services that are availed
- Value of the Indian rupee

How is CPI calculated?

- CPI is calculated as a percentage. It is a comparison of the general price level in the markets in a particular time period from a time frame in the past. This is known as the base year.
- CPI, therefore, is calculated by referring to a base year, which is a benchmark. Currently, the base year is 2012.
- The formula for calculating the CPI index is:
- $CPI = (\text{Cost of a Fixed Basket of Goods and Services in the Current Year} / \text{Cost of a Fixed Basket of Goods and Services in the Base Year}) * 100$
- The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), compiles All India as well as state-wise CPI for Rural, Urban, Combined sectors and releases the CPI numbers every month.

How is the Consumer Price Index (CPI) Used?

- It is used as a macroeconomic indicator of inflation, as a tool by the central bank and government for inflation targeting and for inspecting price stability, and as a deflator in the national accounts.
- CPI also helps understand the real value of salaries, wages, and pensions, the purchasing power of the nation's currency, and regulating rates.



"If you invest more in your education, then you are likely to get more interest in it."

—Benjamin Franklin

In Mauritius, Prime Minister says 'free, open, and secure' Indian

INTERNATIONAL RELATIONS

Prime Minister Narendra Modi on Wednesday said a "free, open, secure, and safe" Indian Ocean was a common priority for both India and Mauritius. Mr. Modi, who is on a two-day state visit to the island nation, said this while delivering a speech alongside Mauritian Prime Minister Navinchandra Ramgoolam. He conveyed India's unambiguous support for the sovereignty of Mauritius over the Chagos archipelago. The U.K. and Mauritius had reached an agreement over the archipelago last year. "In the next five years, 500 civil servants of Mauritius will be trained in India.



Mauritius: A Key Indian Ocean Neighbour

- Mauritius, a strategically located island nation in the western Indian Ocean, shares strong ties with India, as nearly 70% of its 1.2 million population is of Indian origin.

Geographical location

- Mauritius is an island in the Indian Ocean, east of Madagascar, and off the southeast coast of Africa.
- It is considered part of Africa geographically.
- It's located in the Southern Hemisphere, just above the Tropic of

Capricorn.

Colonial History and Indian Migration

- Originally a French colony, Mauritius later came under British rule.
- During French rule in the 1700s, Indians from Puducherry were brought as artisans and masons.
- Under British rule, around 500,000 Indian indentured workers arrived between 1834 and the early 1900s, with two-thirds settling permanently.

Indian Connection to National Day

- Mahatma Gandhi visited Mauritius in 1901 and inspired Indian workers with messages on education, political empowerment, and staying connected with India.
- As a tribute, Mauritius celebrates its National Day on March 12, coinciding with Gandhi's Dandi March.

Key Focus Areas of India-Mauritius Ties

- **Defence and Maritime Security**
 - India and Mauritius aim to enhance defence cooperation, with plans to sign a technical agreement for sharing white-shipping information.
 - This will improve maritime security, protect trading routes, and strengthen regional data-sharing.
- **Indian Development Projects**
 - India has provided nearly \$1.1 billion in development assistance to Mauritius over the last decade, including \$729 million in lines of credit and \$427 million in grants.
 - Key projects include three phases of the Metro Express and 96 small-scale infrastructure initiatives, of which 51 have been completed.
- **India as a First Responder**
 - India has consistently supported Mauritius during crises, including the Covid-19 pandemic, the Wakashio oil spill in 2020, and a recent cyclone, reinforcing its role as a reliable partner.
- **Trade and Investment**
 - Mauritius is a major economic partner, ranking as the second-largest source of Foreign Direct Investment (FDI) in India after Singapore.
 - The two countries signed the **Comprehensive Economic Cooperation and Partnership Agreement in 2021**, India's first trade deal with an African nation.
 - Several Indian PSUs, including Bank of Baroda, LIC, and NBCC, operate in Mauritius.
- **Space Cooperation**
 - India and Mauritius have collaborated in space research since 1986.
 - In 2023, ISRO and the Mauritius Research and Innovation Council (MRIC) signed an MoU to develop a joint satellite, further strengthening space ties.

- **Capacity Building and Education**
 - Mauritius is a significant beneficiary of India's ITEC programme, with around 4,940 Mauritians trained since 2002-03.
 - Additionally, 2,300 Indian students are pursuing higher education in Mauritius in fields such as medicine, hotel management, and business studies.
- **Cultural and Historical Connections**
 - The visit will highlight the legacy of Seewoosagur Ramgoolam, whose ancestors were from Bihar, and celebrate shared cultural traditions, including Maha Shivratri and the Ganga Talao pilgrimage site.

Popularise fortified grain scheme, says Standing Committee

ECONOMY

Even as civil society organisations are raising concerns over fortified rice, the Standing Committee on Consumer Affairs, Food, and Public Distribution headed by DMK MP Kanimozhi has recommended the Centre to ensure meticulous implementation of the scheme of distribution of fortified rice across the country, with particular emphasis on the States where rice is a staple food.

What is Rice fortification?

About/definition

The Food Safety and Standards Authority of India (FSSAI) defines fortification as the deliberate addition of essential micronutrients to food to improve nutritional quality and provide public health benefits, with minimal health risks.

Need for fortification of rice

Malnutrition in India

India faces high levels of malnutrition, especially among women and children.

According to the National Family Health Survey (NFHS-5), anaemia affects a significant portion of the population, with every second woman being anaemic and every third child stunted.

Deficiencies in iron, Vitamin B12, and folic acid are widespread, affecting health and productivity.

Fortification of Rice as a Solution

Rice, a staple food for two-thirds of India's population, is considered an ideal candidate for fortification to address malnutrition.

Per capita rice consumption in India is 6.8 kg per month, and fortifying it with micronutrients can help supplement the diet of the poor.

Fortification Process

Fortification technologies include coating, dusting, and extrusion, with extrusion being the most suitable for India.

In extrusion, dry rice flour is mixed with micronutrients and water, then passed through an extruder to create fortified rice kernels (FRKs), which resemble regular rice.

These kernels are blended with regular rice in a 10g FRK to 1 kg rice ratio to produce fortified rice.

Nutrient Content in Fortified Rice

According to FSSAI standards, 1 kg of fortified rice contains:

- Iron: 28 mg-42.5 mg
- Folic acid: 75-125 micrograms
- Vitamin B12: 0.75-1.25 micrograms

It may also be fortified with other micronutrients like zinc, vitamin A, and various B vitamins.

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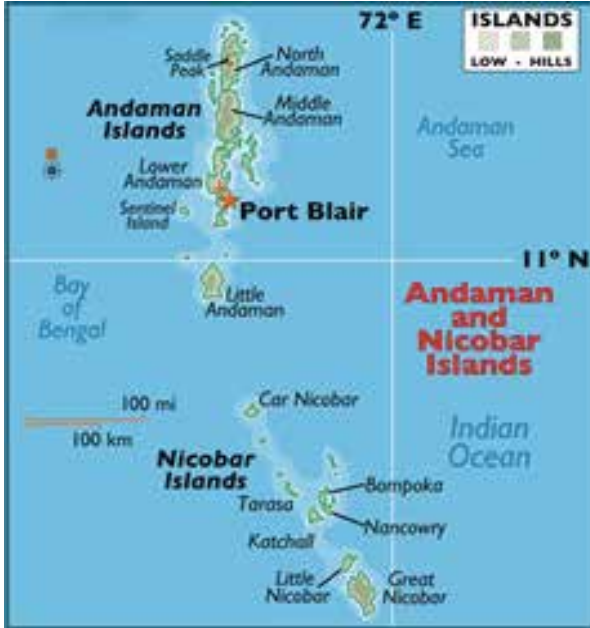
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Govt. refuses to answer queries on Great Nicobar Project in RS

INFRASTRUCTURE

Opposition MPs in the Rajya Sabha on Wednesday tried unsuccessfully to corner the Centre into answering questions about the environmental and forest clearances granted to the ₹72,000-crore Great Nicobar Island mega-infrastructure project.



About the Great Nicobar Project:

- The Great Nicobar Project is a multi-development initiative aimed at the holistic development of Great Nicobar Island, a strategic location in the southern end of the **Andaman and Nicobar Islands**.
- It was cleared by the **Ministry of Environment in November 2022** and is part of a broader strategy to enhance India's strategic presence and infrastructure in the region.
- The project is expected to be developed over 30 years in a phased manner.

Key objectives:

- **Strategic importance:** The project is designed to counter expansionist activities by neighbouring countries, particularly China, and to safeguard India's maritime interests by curbing illegal activities like poaching by **Myanmarese fishers**.

Infrastructure development: The project is valued at **₹72,000 crore** and includes key infrastructure such as the development of an **international**

container trans-shipment terminal, a greenfield international airport with dual military-civilian functions, township development, and a 450 MVA power plant (gas and solar-based).

Geographical context:

- **Location:** Great Nicobar Island is the southernmost island in the Andaman and Nicobar group, separated from the Andaman Islands by the **Ten Degree Channel**.
- It is also home to **Indira Point**, India's southernmost point, located less than **150 km from Indonesia**.
- **Ecosystem:** The island features tropical wet evergreen forests, mountain ranges up to **650 meters high**, and coastal plains.
 - It also houses two national parks and a biosphere reserve, supporting endangered species like the **leatherback**

Indian Railways to dig ponds under govt.'s Mission Amrit Sarovar

SCHEMES

The Indian Railways will dig ponds as part of the Union government's Mission Amrit Sarovar that aims to address the critical issue of water scarcity in the country. Amrit Sarovar was launched in April 2022 with the ambitious goal of constructing or rejuvenating 75 ponds in each district of the country. The project made significant progress and as of October 2024, more than 68,000 ponds have been completed, rejuvenating surface and groundwater availability in various regions. These ponds have not only addressed immediate water needs but also established sustainable water resources.

About Mission Amrit Sarovar:

- It was **launched on 24th April, 2022** with the resolve to build 75 Amrit Sarovars during the 75th year of independence as a part of Azadi ka Amrit Mahotsav.
- It helps to overcome the **water crisis in rural areas** of the country.
- Every Amrit Sarovar will have a **pondage area of at least 1 acre** with a water holding capacity of about 10,000 cubic metre.
- It focuses on **water conservation**, people's participation and proper utilization of soil excavated from the water bodies to boost infrastructure projects.

- This Mission has been launched with a whole of Government Approach which involves 6 Ministries/Department namely:
 - Dept of Rural Development, Department of land resources, Department of Drinking Water and Sanitation, Department of Water resources, Ministry of Panchayati Raj, Ministry of Forest, Environment and Climate changes.
- There is **no separate financial allocation** for Mission Amrit Sarovar.
- **Bhaskar acharya National Institute for Space Application and Geo-informatics (BISAG-N)** has been engaged as Technical partner for the Mission.

Industrial output growth hastens to 8-month high of 5%

ECONOMY

Industrial output growth quickened to an eight-month high of 5% in January on expansion in manufacturing and mining sectors, according to data from the National Statistics Office (NSO) released on Wednesday. The Index of Industrial Production (IIP) had come in at 3.55 in December.

About Index of Industrial Production

It is one of the Prime indicators of economic development for the measurement of trends in the behavior of Industrial Production over a period of time with reference to a chosen base year.

It indicates the relative change of physical production in the field of industries during a specified year as compared to the previous year.

It is computed and published by the Central Statistical Organisation (CSO) on a monthly basis.

Base Year:

The base year is always given a value of 100.

- The current base year for the IIP series in India is 2011-12.
- So, if the current IIP reads as 116, it means that there has been 16% growth compared to the base year.

Index of Eight Core Industries (ICI)

- **ICI** measures the collective and individual performance of production in selected eight core industries viz. Coal, Crude Oil, Natural Gas, Petroleum Refinery Products, Fertilizers, Steel, Cement and Electricity.
- **The objective of the ICI is to** provide an advance indication of production performance **of industries of 'core' nature** before the release of IIP by the Central Statistics Office.
- **These** industries are likely to impact general economic activities **as well as industrial activities.**
- The Index is compiled and released by the Office of the Economic Adviser (OEA), **Department of Industrial Policy & Promotion (DIPP)**, Ministry of Commerce & Industry, **Government of India.**



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