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## 1. First human death from H5N2 bird flu: Why are the experts concerned?

### Why in News?



**WHO: First fatal human case of H5N2 bird flu identified**

The World Health Organization (WHO) recently confirmed the death of a 59-year-old man in Mexico caused by a strain of bird flu called H5N2, which was never recorded in humans before.

The man, who died on April 24, had no history of exposure to poultry or other animals, raising significant concerns about the virus's

transmission.

### But first, what is avian influenza?

Avian influenza, commonly known as bird flu, is a viral infection that primarily affects birds. However, certain subtypes of the virus can infect humans, leading to severe respiratory illnesses. The most notable of these subtypes is H5N1, which has been responsible for numerous human infections and fatalities in the past.

Symptoms of avian influenza in humans are similar to those of regular flu and can include: Fever, cough, sore throat, muscle aches, and severe respiratory distress in advanced cases.

### Why is the Mexico death a concern?

The recent case in Mexico is particularly concerning because the victim had no known exposure to infected animals, indicating a potential shift in the virus's ability to infect humans without direct contact with poultry.

This indicates that the virus can infect humans without the traditional route of transmission through poultry exposure. Avian influenza primarily affects birds, but certain strains, such as H5N1, can infect humans and cause severe respiratory illnesses.

Avian influenza is a zoonotic disease, meaning it can spread from animals to humans. The global nature of the poultry industry and international travel means that outbreaks can quickly become international public health emergencies.

While human cases of avian influenza are rare, the potential for the virus to adapt and spread among humans is a serious public health concern. It indicates a new level of transmission or virulence of the virus that was not previously observed in the region.

### What are the previous instances of bird flu in humans?

Human infections with avian influenza viruses are not unprecedented. The H5N1 subtype, in particular, has caused human fatalities since it was first identified in humans in 1997. However, each new case, especially one without direct animal contact, underscores the importance of continuous monitoring and preparedness.

### **How has the WHO responded?**

The WHO has emphasized the need for heightened vigilance and preventive measures to reduce the risk of infection.

Key recommendations include: avoiding contact with sick or dead birds; ensuring poultry products are thoroughly cooked; and implementing robust surveillance systems to detect and respond to new cases promptly.

The Mexico case serves as a reminder of the ongoing need for global health systems to remain alert to the threats posed by zoonotic diseases and to ensure rapid response mechanisms are in place to prevent widespread outbreaks.

Relevance: GS Prelims & Mains Paper III; Science & Technology

Source: Indian Express

## **2. Sticky inflation: Why is RBI refusing to cut interest rates?**

### **Why in News?**

Recently, the Reserve Bank of India (RBI) unveiled its latest bi-monthly monetary policy review and, for the eighth time in a row, decided that it would not change the benchmark policy rate, also called the repo rate.

The repo rate is the interest rate at which the RBI lends money to commercial banks. When RBI wants to incentivise economic activity in the broader economy, it reduces the repo rate, which makes it cheaper for banks to borrow from it and lend onwards to customers. When it wants to disincentivise economic activity, it raises the repo rate, which makes it costly for everyone in the economy to borrow money.

Movements in the repo rate thus have a significant impact on the EMIs you pay for your car, home, or business loan.

What is the goal of RBI's monetary policy?

The RBI has two goals.

**1. Price Stability:** The primary goal is to maintain price stability in the economy. Simply put, the RBI aims to ensure that prices do not fluctuate beyond a reasonable degree. This fluctuation is measured by the retail inflation rate — the rate of price rise that is faced by the average individual consumer.

By law, the RBI is required to target an inflation rate of 4%, which means that the general price level should go up by 4% from one year to another. Research suggests that this is the sweet

spot where producers have an incentive to produce (and earn more) without being a huge disincentive for consumers (for whom inflation reduces purchasing power).

**2. Economic Growth:** The secondary goal for RBI is to promote economic growth. When economic activity needs a boost — like when the economy needed to recover from the shock of the Covid pandemic — the RBI cuts the repo rate to make it easy for consumers and producers alike to borrow money and spend. When inflation shoots significantly above the 4% mark — as in the wake of the Russia-Ukraine war — the RBI raises the repo rate to reduce the demand for credit-fuelled consumption. Higher repo rates also imply it pays more to keep money in the bank instead of spending it.

### **Why is the RBI not cutting interest rates?**

Currently, the retail inflation rate has been coming down closer to the 4% mark. In fact, it has stayed within the so-called “comfort zone” of the RBI — anywhere between 2% and 6% — since September 2023 and yet, the RBI has not changed the repo rate since February 2023.

The repo rate was raised sharply between May 2022 and February 2023 but it has stayed stagnant at the 6.5% level since then. Why?

There are Two broad reasons for it.

✦ One, despite keeping the repo rate consistently high, the retail inflation has not dropped to touch the 4% mark since January 2021. Although it has declined, the rate of its decline has been very gradual. In fact, the RBI has expressed its concern over the stickiness of inflation. In the first four months of 2024, the inflation rate has been 5.10%, 5.09%, 4.85%, and 4.83%, respectively.

✦ Two, as explained earlier, the RBI typically cuts the repo rate when it finds that economic activity needs a boost. However, India’s gross domestic product (GDP) growth rate has been surprisingly strong over the past year in particular. The RBI upped the GDP forecast for the current financial year from 7% to 7.2%. This would be the fourth consecutive year of more than 7% GDP growth rate by India. Under the circumstances, it is unlikely that repo rates are holding back India’s economic growth.

Relevance: GS Prelims & Mains Paper III; Economics

Source: Indian Express

## **2. Andhra Pradesh vs Telangana: Unresolved issues between the states that went to court**

### **Why in News?**

A decade on, several issues relating to the Andhra Pradesh Reorganisation Act, 2014 (APRA) remain pending between the two successor states, and Telangana Chief Minister Revanth Reddy has said he hopes they are resolved soon.

The creation of the new states was followed by division and apportionment of the assets of undivided Andhra Pradesh. Courts were required to adjudicate several disputes that arose; a few of the major legal disputes are as follows.

The states are embroiled in some other disputes as well, including over competing claims on pending power generation dues, division of the AP State Financial Corporation's assets, and over the sharing of Krishna and Godavari waters.



### **Ninth and Tenth Schedules of AP Reorganisation Act**

In December 2022, Andhra Pradesh approached the Supreme Court claiming that the division of assets contained in the Ninth and Tenth Schedules of the APRA had not commenced even though the Act clearly apportioned them between the two "successor states".

According to the petition, the Act lists 245 institutions or assets (142 in Schedule IX, 91 in Schedule X, and 12 unmentioned in the Act) owned by the erstwhile State of Andhra Pradesh, valued at "about Rs 1,42,601 crores" and that 91% of these assets are located in Hyderabad "clearly to the benefit of Telangana".

As of June 2, 2024, Hyderabad is the capital city of Telangana alone, and no longer the shared capital of both states. Andhra Pradesh is in the "disadvantageous position of having to start from scratch".

These institutions, says the petition, "perform a range of basic and essential functions", including agriculture, dairy development, education, medical services, minority and backward class development, etc. None of these assets have been apportioned between the successor states, it says.

According to Andhra Pradesh, Telangana's inaction "has led to a multitude of issues adversely affecting and violating the fundamental and other constitutional rights" of the people residing in the state.

Andhra Pradesh has asked the Supreme Court to direct Telangana to start handing over assets specified in the Ninth and Tenth Schedules of the APRA under the supervision of a neutral arbitrator or a retired judge of the Supreme Court.

In December 2023, the case was listed for a final hearing in March 2024 by Justices Sanjiv Khanna and S V N Bhatti. However, the case was not taken up, and remains pending.

### **Andhra Pradesh State Council of Higher Education (APSCHE)**

In 2016, the Supreme Court decided on a dispute where Telangana claimed ownership of all funds and assets of the Andhra Pradesh State Council of Higher Education (APSCHE).

The state of Telangana argued that the APRA does not contain any provisions for the apportionment of institutions under the Tenth Schedule (such as the APSCHE). As a result, since the assets of the APSCHE were located in Hyderabad, the state of Andhra Pradesh had no right to them.

The Supreme Court rejected this argument and invoked Section 47 of the APRA which states that the apportionment of assets can be subject to adjustment "as may be necessary to secure just, reasonable and equitable apportionment of the assets and liabilities amongst the successor States".

It directed that APSCHE assets should be divided between the two states based on the population ratio.

### **Andhra Pradesh Dairy Development Co-operative Federation Limited (APDDCF)**

In 2016 the Telangana government transferred the assets of the Dairy Development Board in Hyderabad to the Telangana State Dairy Development Cooperative Federation (TSDDCF) from the APDDCF.

The APDDCF challenged this Government Order at the Telangana High Court, arguing that as a Ninth Schedule institution, its assets had to be fairly apportioned in the manner provided by the APRA. The TSDDCF, however, claimed that the APDDCF headquarters were located in Telangana, and its assets belonged to the state in which it was located.

In 2021, the High Court held that the APDDCF's assets should be divided between it and TSDDCF in the ratio of 58.31:41.68 after a complete valuation of the assets by the Comptroller and Auditor-General of India (CAG).

Both states have filed petitions challenging this judgment at the Supreme Court. The matter was last heard by Justice Sanjay Karol in October 2023.

### **Andhra Pradesh Mineral Development Corporation (APMDC)**

The APMDC and the newly established TSMDC arrived at a plan to divide the assets of the APMDC (of the undivided state), another Ninth Schedule institution, in March 2018 based on the population ratio of 58.31:41.68.

The Andhra Pradesh government approved this plan in 2019, but the Telangana government took no action on the proposal. In 2020, the Andhra government approached the Telangana High Court arguing that the Telangana state's inaction in implementing the proposal was arbitrary and illegal.

The court called the Telangana government's conduct "baffling" and "inexplicable", and ordered it to begin distributing the assets in terms of the proposal agreed to in 2018.

But the TSMDC and the State of Telangana challenged this decision before the Supreme Court in 2021. The matter was last heard by a three-judge Bench led by Chief Justice of India D Y Chandrachud in February 2024.

Relevance: GS Prelims & Mains Paper II; Governance

Source: Indian Express

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