

**UPSC Syllabus Topic : GS Paper 3 – Disaster Management – Mitigating the impact of Cyclones.**

**Navigating Crisis: Strengthening Coordination Among Agencies for Effective Disaster Response in South India**

**Shortcomings Highlighted by the Incident:**

1. **Ineffective Weather Forecasting:**
  - Lack of precision in predicting the scale and location of rainfall.
  - Challenges in issuing timely and accurate warnings.
2. **Inefficient Evacuation Procedures:**
  - Congested and inaccessible evacuation routes.
  - Delays in relocating residents due to these challenges.
3. **Inadequate Drainage Systems:**
  - Improper drainage infrastructure leading to widespread flooding.
  - Cities like Chennai faced severe consequences due to drainage shortcomings.
4. **Delayed Evacuations:**
  - Despite warnings, certain vulnerable communities experienced delays in evacuation.
  - This delay heightened the risk level for affected populations.

**The Way Ahead:**

1. **Better Forecasting System:**
  - Invest in advanced technologies for more accurate weather predictions.
  - Improve communication channels to ensure timely dissemination of weather warnings.
2. **Better Coordination:**
  - Enhance collaboration between weather departments, railways, and other relevant agencies.
  - Develop protocols for swift responses and coordination during weather-related emergencies.
3. **Proactive Approach:**
  - Adopt a proactive stance in disaster management, anticipating and preparing for potential events.
  - Strengthen inter-agency cooperation to streamline disaster response efforts.
4. **Develop and Maintain Robust Evacuation Plans:**
  - Identify vulnerable areas prone to disasters and develop clear evacuation plans.
  - Establish well-defined evacuation routes and shelters.
  - Conduct regular drills to ensure preparedness and familiarity with evacuation procedures.
5. **Investment in Disaster-resilient Infrastructure:**
  - Prioritize investment in resilient infrastructure, including reinforced dams, bridges, and drainage systems.
  - Build houses that can withstand the impact of severe weather events.

**UPSC Syllabus Topic : GS Paper 3, Indian Economy, Money and banking.**

**Crypto Assets: Shaping the Financial Landscape with New Developments and Global Initiatives**

**Different Views of the IMF and Indian Authorities on India's Foreign Exchange Rate Regime:**

**IMF's Perspective:**

- Emphasizes the importance of exchange rate flexibility to absorb external shocks.
- Advocates limited foreign exchange interventions, specifically during disorderly market conditions.
- Views flexibility as a key element in managing capital inflows and market fluctuations effectively.

**Indian Authorities' Perspective:**

- Believes that India's exchange rate stability reflects improvements in the country's external position.
- Argues that interventions have been necessary to prevent excessive volatility in the exchange rate.
- Views stability as a positive factor in managing economic conditions and promoting growth.

**Findings of the IMF on India's Economy:**

**Positive Findings:**

1. **Foreign Exchange Reserves:**
  - Reached a record high of \$606.8 billion due to significant capital inflows.
2. **Financial Sector:**
  - Stable and resilient with sustained bank credit growth, low non-performing assets, and ample capital buffers.
  - Largely unaffected by global financial stress in early 2023.
3. **Economic Growth:**
  - Exhibited robust growth over the past year.
  - Moderated but volatile inflation.
4. **Employment:**
  - Exceeded pre-pandemic levels.
  - Progress in formalizing the economy despite the dominance of the informal sector.

**Negative Findings:**

1. **Widening Current Account Deficit:**
  - Widened in FY23 due to post-pandemic recovery in domestic demand and temporary external shocks.
2. **High Public Debt:**
  - Although the budget deficit has improved, public debt remains high.
  - Recommends rebuilding fiscal buffers.

**IMF Recommendations for India:**

1. **Monitoring:**
  - Suggests monitoring financial stability and addressing emerging vulnerabilities, especially in unsecured personal loans.
2. **Strengthen Financial Reserves:**
  - Recommends enhancing regulatory and supervisory standards.
  - Encourages public banks to strengthen financial reserves.

3. **Structural Reforms:**

- Emphasizes the need for comprehensive structural reforms.
- Aims to leverage India's demographics for inclusive and sustainable growth.

**Terms Used:**

- **Floating Exchange Rate:**
  - Determined by market forces (supply and demand in the foreign exchange market).
- **Stabilized Arrangement:**
  - Central bank actively manages the exchange rate to maintain stability within a certain range.

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