

'Sharing is Caring'

If you have friends preparing for Civil Services, tell them that they can also receive Updates from PrepMate IAS by sending 'Name' and 'State' through WhatsApp on 75979-00000

1. How compensation for Agniveers differs from that for regular soldiers in matter of death

Why in News?

Earlier this week, Leader of Opposition in Lok Sabha Rahul Gandhi alleged that the family of Agniveer Ajay Kumar, who was killed in a landmine blast in January, did not receive financial assistance from the government.

After Defence Minister Rajnath Singh told Parliament that an Agniveer who is killed in the line of duty receives a compensation of Rs 1 crore, Rahul posted on social media accusing him of lying to the House.

Late on July 3, the Army issued a statement saying the family of the Agniveer would receive a compensation of Rs 1.65 crore, and that "emoluments due to a fallen hero are paid expeditiously" to their next of kin, including of Agniveers.

Government sources said the Rs 1.65 crore include Rs 48 lakh and Rs 50 lakh as insurance from the central government and from financial institutions under an MoU respectively; an additional sum of Rs 39,000; Rs 44 lakh as ex gratia; Rs 8 lakh from the Army welfare fund; Rs 13 lakh as balance of pay until completion of tenure; and Rs 2.3 lakh as Seva Nidhi, the contributory scheme that Agniveers are entitled to.

Compensation to Agniveers vis a vis a Regular soldiers

INSURANCE: All regular soldiers contribute Rs 5,000 per month towards the Army Group Insurance Fund which insures them for Rs 50 lakh. Agniveers are insured for Rs 48 lakh, but they make no contribution from their salary towards the premium for this insurance. The sum insured is paid to all soldiers and Agniveers irrespective of the cause of death.

The services have signed Memorandums of Understanding (MoUs) with the banks where the salaries of all defence personnel, including Agniveers, are credited under the defence salary package. These personnel are insured by the banks for various amounts as per the banks' policies.

EX GRATIA: A sum of Rs 44 lakh has been earmarked as ex gratia for Agniveers whose deaths are attributable and aggravated by military service, or occur during operations.

The ex gratia for a regular soldier can be Rs 25 lakh, Rs 35 lakh or Rs 45 lakh, depending on the nature of the casualty.

Deaths, either of Agniveers or of regular soldiers, which are neither attributable to nor aggravated by military service are not eligible for any ex gratia.

The ex gratia from state governments varies from zero to Rs 1 crore, depending on the state. This is applicable to both Agniveers and regular soldiers who either die or suffer disabilities on duty.

IN ADDITION: Agniveers and regular soldiers are given Rs 8 lakh in case of death in operations and Rs 2.5 lakh in case of death due to any other reason.

Seva Nidhi for Agniveers

Seva Nidhi is a contributory scheme applicable only to Agniveers. For those whose deaths are neither attributable to nor aggravated by military service, get the amount accumulated till the date of death, along with the government's contribution and interest.

Agniveers who die while on duty or in operations get the full pay for the unserved period up to four years, including the Seva Nidhi component.

Only for regular soldiers

Some benefits are exclusive to regular soldiers. Gratuity and monthly family pension, which is a substantial amount, are available only to regular soldiers.

Death Gratuity: Death gratuity of 15 days' pay for every completed year of service or part thereof, subject to a maximum of Rs 25 lakh.

Family Pension: Families of soldiers who die due to reasons neither attributable to, nor aggravated by military service get ordinary family pension, which is 50% of the last pay drawn for up to 10 years, and 30% thereafter.

In case of deaths that are attributable to military service, a special family pension, which is 60% of the soldier's last pay, applies. For soldiers killed in operations, a liberalised family pension, which 100% of the last pay, is given to the family. Liberalised family pensions are tax-free.

These pensions are revised as per the system of One Rank One Pay (OROP) and Pay Commission recommendations. The DA component is also added to the pensions.

Education provision: Children of soldiers who die due to operational reasons are eligible for a children's education allowance which is equal to the cost of school/ college fees and books till graduation. Transportation, hostel charges, and uniform costs are also included.

For other than battle casualties, an educational scholarship varying from Rs 10,000 per annum for Class 1 to Rs 50,000 per annum for professional courses is given. Wives of such soldiers are also entitled to Rs 20,000-50,000 per annum for graduation and professional courses.

Ex-Servicemen Contributory Health Scheme: The families of regular soldiers are entitled to benefits of the Ex-Servicemen Contributory Health Scheme (ECHS), a centrally-funded scheme along the lines of CGHS to provide medical care to armed forces pensioners and their families.

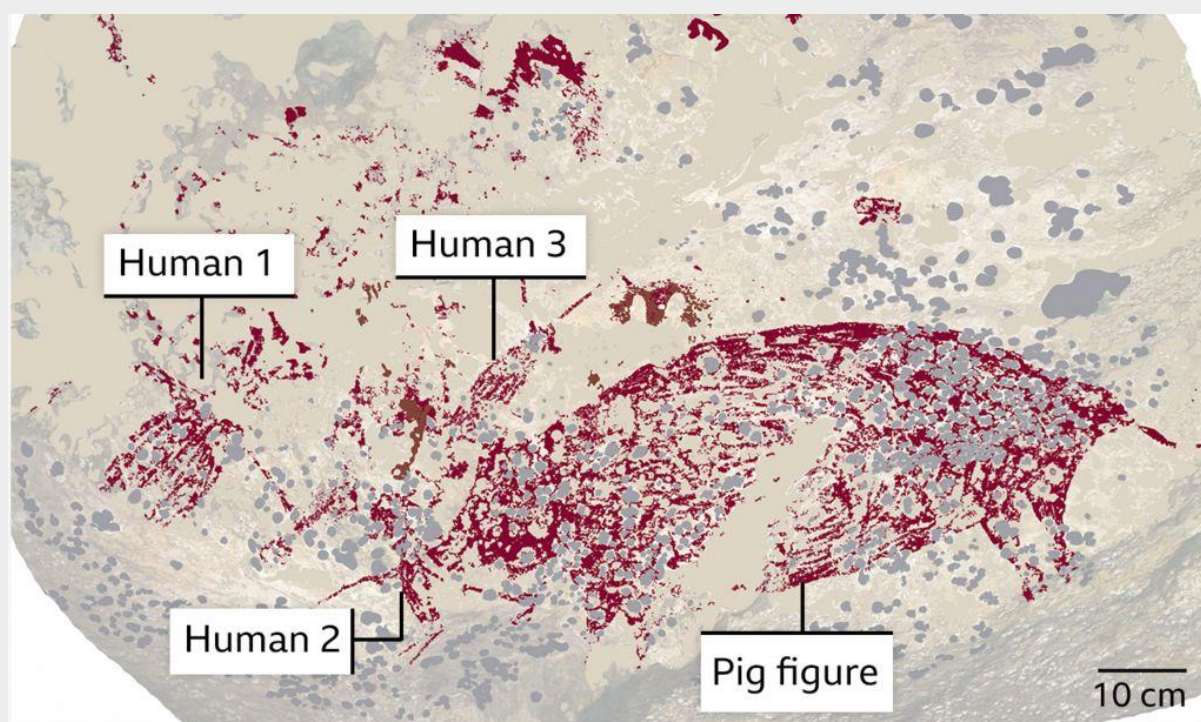
Relevance: GS Prelims & Mains Paper II; Governance

Source: Indian express

2. World's oldest cave painting in Indonesia shows a pig and people

Discovery of Ancient Cave Painting

On the ceiling of a limestone cave on the Indonesian island of Sulawesi, scientists have discovered the world's oldest-known confidently dated cave painting. This artwork, created at least 51,200 years ago, depicts three human-like figures interacting with a wild pig.



Dating the Painting

Researchers used a new scientific approach to determine the minimum age of the painting inside the Leang Karampuang cave. They utilized a laser to date a type of crystal called calcium carbonate that naturally formed on top of the painting. Maxime Aubert, an archaeological science specialist at Griffith University in Australia, highlighted that this method is a significant improvement over previous methods and could revolutionize rock art dating worldwide.

Description of the Artwork

The painting features a pig measuring 36 inches by 15 inches (92 cm by 38 cm) standing upright, along with three smaller human-like figures, all painted in dark red pigment. The researchers interpreted the scene as a narrative, suggesting it is the oldest-known evidence of storytelling in art.

Reassessment of Other Paintings

Using the same dating method, researchers reassessed the age of another Sulawesi cave painting from Leang Bulu' Sipong 4. This painting, depicting part-human, part-animal figures

hunting pigs and dwarf buffalo, turned out to be at least 48,000 years old, 4,000 years older than previously thought.

Origins of the Painters

Little is known about the people who created the Sulawesi cave paintings. Some archaeologists have suggested that these paintings could be older than the determined minimum age, possibly dating back to the first Homo sapiens wave that migrated through the region and eventually reached Australia about 65,000 years ago.

Relevance: GS Prelims; Miscellaneous

Source: The Hindu

3. India's Balance of Payments position

Why in News?

Last week, data from the Reserve Bank of India (RBI) showed that India's current account registered a surplus during the fourth quarter (Jan-Mar) of the 2023-24 financial year. This was the first time in 11 quarters that India had witnessed a surplus.

Movements in the current account are closely monitored as they not only impact the exchange rate of the rupee and India's sovereign ratings, but also because they point to the overall health of the economy.

However, the country's current account cannot be understood in isolation. The larger picture is provided by the so-called 'Balance of Payments' table alongside.

What is Balance of Payments?

The Balance of Payments (BoP) is essentially a ledger of a country's transactions with the rest of the world. As Indians trade and transact with the rest of the world, foreign exchange flows in and out of the country. The BoP shows how much foreign exchange (shown here in billions of US dollars) went out of the country and how much foreign exchange came in. All the foreign exchange coming into the country is marked positive and all the foreign exchange going out is marked negative. As such, in the BoP table, a minus sign points to a deficit.

The BoP matters because it captures the relative demand of the rupee vis-à-vis the demand for foreign currencies (represented in dollar terms). Hypothetically, if there were only two countries in the world, India and the US, every time an Indian wanted to buy an American good or service, or to invest in the US, they would have to hand over a certain number of rupees to first buy the dollars needed to complete that transaction. In the end, the exchange rate would be determined by the relative demand of the two currencies — if Indians demanded more dollars than Americans demanded rupees, the 'price' (or the exchange rate) of the dollar relative to the rupee would go up.

What are the constituents of the BoP?

The table shows the constituents of India's BoP. The BoP has two main 'accounts' — Current Account, and Capital Account.

Understanding India's Balance of Payments

(In \$ billion)		Q4 FY24	FY24	FY23	FY21	FY25#
Current account*		6	-23.3(0.7%of GDP)	-67(2%of GDP)	24(0.9%of GDP)	-39(1%of GDP)
	Trade of Goods	-51	-242	-265	-102	-268
	Trade of Services (Invisibles)	57	218	198	126	229
	Services	43	163	143	89	171
	Transfers	29	106	101	74	106
Capital account*		25	86	59	63	77
	Foreign investment	13	54	23	80	52
	FDI	2	10	28	44	20
	FII	11	44	-5	36	32
	Loans	2	2	8	6	10
	Banking Capital	7	41	21	-21	15
	Other Capital	3	-10	7	-2	0
Balance of Payments*		31	64	-9	87	38
Change in Forex**		-31	-64	9	-87	

* A minus sign is deficit; ** A minus sign shows increase in India's foreign exchange reserves; # Forecast by KICIT Securities
Source: RBI, KICIT Securities, Indian Express Research

CURRENT ACCOUNT: The current account, as the name suggests, records transactions that are of a 'current' nature. There are two subdivisions of the current account: the trade of goods, and the trade of services.

The trade or merchandise account refers to the export and import of physical goods (cars or wheat or gadgets, etc), which determines the 'balance of trade'. If India imports more goods than it exports, it is running a trade deficit, which is shown by a negative sign.

The second part of the current account is made up by the 'invisibles' trade, so called because it refers to trade in services and other transactions that are typically 'not visible' in the same way as, say, the trade in cars or chairs or phones is.

'Invisible' transactions include services (e.g., banking, insurance IT, tourism, transport, etc.); transfers (e.g., Indians working in foreign countries sending back money to families back home); and incomes (such as the income earned from investments).

The net of these two kinds of trades is the current account. As can be seen from the table, in Q4, India registered a surplus on the current account. There was a surplus on the invisibles, but there was a deficit on the trade of goods account.

CAPITAL ACCOUNT: The capital account captures transactions that are less about current consumption and more about investments, such as Foreign Direct Investment (FDI) and Foreign Institutional Investments (FII). The table for Q4 shows a net surplus of \$25 billion on the capital account.

Lastly, the BoP table always balances through the change in the foreign exchange reserves column. When there is a BoP surplus — net of current and capital account — it implies dollars coming into the country.

Relevance: GS Prelims & Mains paper III; Economics

Source: Indian Express

PrepMate