Prelim Bits 29-09-2022 | UPSC Daily Current Affairs

New Fund Offer

ICICI Prudential Mutual Fund announced the launch of the ICICI Prudential Nifty Auto Index Fund, which will give investors an opportunity to earn from the expected growth in the automobile sector, including the EV segment.

> *New Fund Offer from ICICI Prudential Nifty Auto Index Fund is India's first Nifty Auto Index Fund.*

- A new fund offer (NFO) refers to the initial sale of fund shares issued by an investment company to investors.
- It is the first subscription offering for any new fund offered by an investment company.
- **Purpose** - Similar to an Initial public offering (IPO) in the stock market, NFOs are intended to raise capital for the fund and attract investors.
- It is launched in the market to raise capital from the public in order to buy securities like shares, govt. bonds etc. from the market.
- Even though NFOs are marketed, they are done less aggressively so than IPOs, and target certain select groups of investors.
- As a result, new fund issues may be less noticeable to individual investors than IPOs.
- Investors should check an NFO's expense ratio and the performance of previous funds offered by the investment company before deciding to invest in an NFO.
- Investors looking to research new fund launches can monitor the press releases of various investment companies as well as news outlets dedicated to aggregating the latest fund news.
- **Types** - Mutual funds are the most common type of new fund offering.
- New fund offerings can be for open-end or closed-end mutual funds.
- New exchange-traded funds are also first offered through NFOs.

Reference

1. https://www.financialexpress.com/money/mutual-funds/new-fund-offer-from-icici-prudential-mutual-fund-indias-first-nifty-auto-index-fund-check-details/2681791/
2. https://www.investopedia.com/terms/n/new_fund_offer.asp
3. https://economictimes.indiatimes.com/definition/New-Fund-Offer

ASBA-like Payment System

The Securities and Exchange Board of India (SEBI) is developing a ASBA-like payment system for the secondary market, which could prevent brokers from accessing their client funds.

Application Supported by Blocked Amount (ASBA) is an application by an investor containing an authorization to 'Self-Certified Syndicate Bank' to block the application money in the bank account, for subscribing to an issue.

- This payment system for the secondary market will be on the lines of the ASBA process used for subscribing to IPOs.
- In ASBA, the funds move out of an investor's bank account only after the trade is confirmed.
- **Pros** - So, in an ASBA-based payment system, the money will never leave the account until the settlement is done.
- This, coupled with the new T+1 settlement mechanism, would lead to efficient use of capital and help further develop India's capital markets.
- **Cons** - However, the proposed system could upend the broking industry as several players earn a float on the funds parked.
- It could even push up the cost of trading, as brokerages could look for alternative sources of income.
- Extending ASBA to the secondary market could pose more complex challenges - more so for brokers not backed by banks.
- For bank-backed brokers, money moves in and out seamlessly

There will be far more transparency in the system, but operationally it will be difficult, as unlike the IPO market where there is one-time payment, the secondary market is more active.

Reference

1. https://www.business-standard.com/article/markets/sebi-working-on-new-asba-like-payment-system-for-secondary-trades-buch-122092101052_html
2. https://sbi.co.in/web/personal-banking/investments-deposits/stocks-securities/asba
3. https://www.moneycontrol.com/news/business/markets/sebi-mulling-asba-like-payment-infrastructure-for-stock-market-9209211.html

Mahakaleshwar Temple

The Prime Minister is to inaugurate the Mahakaleshwar Corridor, constructed in Madhya Pradesh's Ujjain.

Mahakaleshwar, which means the 'Lord of time', refers to Lord Shiva.

- Shree Mahakaleshwar Temple is located in Ujjain, Madhya Pradesh.
- As per Hindu mythology, the Mahakaleshwar temple was constructed by Lord Brahma and is presently located alongside the holy river Kshipra.
- The temple in its present form was built by the Maratha general Ranoji Shinde in 1734 CE.
- The shrine is revered as one the 18 Maha Shaktia Peeth in India.

- The temple is three-storeyed, with the lingams of Mahakalesvara, Omkaresvara and Nagachandresvara installed in the three levels.
- Mahakaleshwar Jyotirlinga is one of the 12 jyotirlingas considered the most sacred abodes of Shiva.
- The collectorate office of Ujjain district manages the administration of the temple.

Reference

1. https://indianexpress.com/article/explained/what-is-the-rs-600-crore-redevelopment-plan-for-ujjains-mahakaleshwar-temple-8179285/
2. https://shrimahakaleshwar.com/temple
3. https://ujjain.nic.in/en/tourist-place/shri-mahakaleshwar-temple/

Vigyan Ratna

The Centre has decided to do away with over 250 awards given to scientists and medical researchers. This comes as delayed-release grants and student fellowships already haunt the research community.

- There is a recommendation to close down a few awards, reducing the number of awards to few important ones and reconstituting some of the important national awards.
- Further, the home secretary recommended setting up *Vigyan Ratna*, a "Nobel Prize-like award."

Reference

1. https://www.downtoearth.org.in/news/science-technology/government-discontinues-science-health-awards-to-establish-vigyan-ratna-on-lines-of-nobel-prize-85176
2. https://www.hindustantimes.com/education/vigyan-ratna-government-plans-nobel-like-prize-cut-some-fellowships-awards-101664271199248.html

Buddhist Sites in Bandhavgarh

The Archaeological Survey of India (ASI) has discovered a treasure trove of ancient relics at the Bandhavgarh Tiger Reserve in Madhya Pradesh.

- In Bandhavgarh, the Buddhist caves and stupas, and Brahmi inscriptions discovered date back to the 2nd century.
- The Hindu temples date back to the 9th-11th centuries.
- The Varaha sculpture found here is the world's largest Varaha sculpture dating back to the 9th-11th centuries.
- The time period of the findings covered the reigns of the kings Shri Bhimsena, Maharaja Pothasiri, and Maharaja Bhattadeva.
- In Brahmi inscriptions, the ancient cities like Mathura and Kaushambi, Pavata (Parvata), Vejabharada and Sepatanaairikaa were mentioned.
- Inscriptions are also in Nagari and Shankhalipi.
- **Related Links** - Bandhavgarh Tiger Reserve

Reference

1. https://www.thehindu.com/todays-paper/asi-finds-buddhist-caves-temples-in-tiger-reserve/article65948382.ece
2. https://www.newindianexpress.com/nation/2022/sep/29/asi-discovers-26-ancient-caves-in-bandhavgarh-tiger-reserve-2503067.html
3. https://www.indiatimes.com/news/india/hindu-buddhist-structures-temples-inscriptions-discovered-in-mps-bandhavgarh-tiger-reserve-580812.html

