

Class- X1
FMM Assignment
Answer key

A-1 True

A-2 Entrepreneurship development

- A-3**
- 1. Pre training stage**
 - 2. Training or development stage**
 - 3. Post training or follow up stage**

A-4 (b)

A-5 Entrepreneurship is a process of setting up one's own business idea.

A-6 characteristics of entrepreneurship

- 1. Systematic activity**
- 2. Lawful and purposeful activity**
- 3. Innovation**
- 4. Organisation of production**
- 5. Risk taking**

A-7 Entrepreneurs are risk takers as entrepreneur undertake pure and calculated risks. As it is rightly said that for an entrepreneur no risk no profit. So entrepreneur has to bear risk according to the calculations made.

A-8 SEBI regulations 1996

A-9 Indian trust act 1882

A-10

1. The assets of the mutual fund scheme are held by the custodian. A custodian's role is safe keeping of physical securities and also keeping a tab on the corporate actions like rights, bonus and dividends declared by the companies in which the fund has invested.

2. The Custodian is appointed by the Board of Trustees. Since the custody of the assets is separated from the management it protects the investors against fraud and misappropriation.

3. The custodian also participates in a clearing and settlement system through approved depository companies on behalf of mutual funds, in case of dematerialized securities.

4. In India today, securities (and units of mutual funds) are no longer held in physical form but in dematerialized form with the Depositories. The holdings are held in the Depository through Depository Participants (DPs). Only the physical securities are held by the Custodian. The deliveries and receipt of units of a mutual fund are done by the custodian or a depository participant at the instruction of the AMC and under the overall direction and responsibility of the Trustees.

A-11

1. Gold ETF- An exchange traded fund that buys and sells gold.

2. Real estate funds- These funds invest in properties.

A-12 Refer to chapter- Mutual funds

A-13

The G-ETF is designed as an open ended scheme. Investors can buy/ sell units any time at then prevailing market price. In case of ETFs, investors can buy (or sell) units at a price which is prevailing at that point of time during market hours. Thus for all investors of open ended schemes, on any given day their buying (or redemption) price will be same, whereas for ETF investors, the prices will vary for each, depending upon when they bought (or sold) units on that day.

The way Gold ETFs work is as under:

1. During New Fund Offer (NFO)

AMC decides of launching G-ETF

The SID, SAI and KIM are prepared as per SEBI guidelines

Investors invest in the fund and the AMC gives units to investors in return

AMC buys Gold of specified quality at the prevailing rates

A-14 Investing in Gold ETF - Refer to ncert topic Working and investing in Gold ETF