

B.C.M.SCHOOL, BASANT AVENUE,LUDHIANA

X IFM Chapter 3 Assignment Ans.Key

1. B) Issuance of new securities
2. C) Stock Repurchase
3. D) The company itself
4. B) SEBI
5. B) Offering existing shareholders the right to buy additional shares
6. B) A select group of investors
7. B) Securities are first issued in the primary market and then traded in the secondary market
8. B) An agreement where underwriters guarantee to sell the share

9. B) Prospectus

10. B) Finding a price based on investor demand

11. D) All eligible investors (retail, institutional, and foreign)

12. B) Helps raise capital for business expansion

13. B) Stockbrokers

14. B) A company that has already gone public and is issuing additional shares

15. A) Raise funds quickly from a limited number of investors

16. A) IPO is the first-time issuance, while FPO is an additional issuance

17. C) Only existing shareholders.

18. A) A process where a bank guarantees to buy unsold shares

19. B) Raise new capital for companies and governments

20. C) The issuing company sets a predetermined price for shares