

Solution:

Let's analyse what is a treasury stock. A treasury stock is a stock that is bought back by a company from the shareholders to keep them as reserves for a future benefit for employees or re-invest them in the share market for additional capital.

Such a stock is usually acquired after paying the shareholder with the appropriate market value of the stock. These are all issued stocks, as per the norms since the company generated benefits from them.

After buying back these stocks, the stock still had that benefit associated with them (issued) but now, they do not lie with the investors (not outstanding).

Thus, the treasury stocks are issued stocks that are not outstanding anymore and hence, the statement is false.