

Chart of Difference Between Capital and Revenue Receipts

Basis of Difference	Capital Receipts	Revenue Receipts
Meaning	Capital Receipts are that amount which is received from non operational activities i.e. Bank Loan, Debenture etc.	Revenue Receipts are that amount which is received/earned from operational activities i.e. Sale of goods and services.
Year of Benefit	we will drive the benefit from these Receipts in the current year as well as in the future year also	we will drive the benefit from these Receipts in the current year only
Repayment	It has to repay after fixed maturity or in installments.	It has not to repay.
Financial Statement	It will be posted in the Balance sheet.	It will be posted in the Trading and Profit/Loss account.
Capitalized	These Receipts will be capitalized.	These Receipts will not be capitalized.
Nature	It a is non-recurring in nature.	It a is recurring in nature.
Need	To improve the working capacity or to grow the business	To running the existing business capacity properly.
Matching Concepts	These are not matched with the capital Expenditure	These are matched with the revenue receipts to know the profit/loss for the year.
Sub Categories	It has no subcategories.	It has two subcategories. 1. Direct Income 2. Indirect Income