Discuss the difference between capital and revenue nature.what is the meaning of royality.

Capital expenditures are for fixed assets, which are expected to be productive assets for a long period of time.
Revenue expenditures are for costs that are related to specific revenue transactions or operating periods, such as the cost of goods sold or repairs and maintenance expense.

The differences between these two types of expenditures are as follows:

Timing. Capital expenditures are charged to expense gradually via depreciation, and over a long period of time. Revenue expenditures are charged to expense in the current period, or shortly thereafter.

Consumption. A capital expenditure is assumed to be consumed over the useful life of the related fixed asset. A revenue expenditure is assumed to be consumed within a very short period of time.

Size. A more questionable difference is that capital expenditures tend to involve larger monetary amounts than revenue expenditures. This is because an expenditure is only classified as a capital expenditure if it exceeds a certain threshold value; if not, it is automatically designated as a revenue expenditure. However, certain quite large expenditures can still be classified as revenue expenditures, as long they are directly associated with revenue transactions or are period costs.

Royalty:

A royalty is a legally-binding payment made to an individual, for the ongoing use of his or her originally-created assets, including copyrighted works, franchises, and natural resources. But royalties are predominantly associated with musicians, who receive such payments whenever their originally-recorded songs are played on the radio or television, used in movies, performed at concerts, bars, and restaurants, or consumed via streaming services. In most cases, royalties are revenue generators specifically designed to compensate the owners of songs or properties, when they license out their assets for another party's use.

The use of royalties is common in situations where an inventor or original owner chooses to sell his product to a third party, in exchange for royalties from the future revenues the product may generate. For example, computer manufacturers pay Microsoft Corporation royalties for the right to use its Windows operating system in the computers they manufacture.

Payment may be nonrenewable resource royalties, patent royalties, trademark royalties, franchises, copyrighted materials, book publishing royalties, music royalties, and art royalties. Well-known fashion designers can charge royalties for the use of their names and designs, by other companies.

Third parties pay authors, musical artists, and production professionals for the use of their produced, copyrighted material. Television satellite companies provide royalty payments to air the most viewed stations nationwide. In the oil and gas sectors, companies provide royalties to landowners for the permission to extract natural resources from the landowners' covered property.