

Section - 2

Ans 7) Capitalization - Capitalization is an accounting method in which a cost is included in the value of an asset and expensed over the useful life of that asset, rather than being expensed in the period the cost was originally incurred. In finance, capitalization refers to the corporation's stock, long term debt, and retained earnings. In addition, market capitalization refers to the numbers of outstanding shares multiplied by the share price.

Understanding Capitalization - Capitalization has two meanings in accounting and finance. In accounting capitalization is an accounting rule used to recognize a cash outlay as an asset on the income statement balance sheet, rather than expense on the income statement. In finance, capitalization is a quantitative assessment of a firm's capital structure.

(iii) Debt and its objective - The objectives of public debt management are to ensure that the government's financing needs and setting of obligations meet the medium term objective of low borrowing.

Cuts, Budget risk exposure
and Problems Promotes an active
domestic debt market.

~~Domestic Debt~~ - Domestic Debt is
Comprised of treasury bills, treasury
bonds, Government bonds, Corporate
loans.