

Assignment - 6

1) Define incremental cashflow?

⇒ Incremental Cash flow refers to the additional cash inflows or outflows that occurs as a direct result of a specific business decision, project or investment.

⇒ It represents the change in cash flow that can be attributed to that particular decision or action.

⇒ Incremental cashflows relating to the investment decision, i.e., cashflows that occur as a consequence of the decision, rather than total cash flows.