

Section - 3

[Question No. 1.]

Q. What is a Concentration Bank?

Ans A Concentration bank is a financial institution that is the primary bank of a specific organization. A concentration bank may also be where the organization conducts most of its transaction and several organizations use multiple bank but generally deal significantly with one kind of bank.

- A concentration bank is a financial institution

which functions as a primary bank of specific organization.

- Concentration banking is generally practised by large multinational organizations with several subsidiaries and locations.
- Concentration accounts aggregate funds from business.