Introduction

1.1 Development of Co-operative movement

While dealing with the development of Urban Co-operative Bank a reference may be made to the definition of these banks adopted from time to time. Initially most of the Urban Banks in India.

The Mehta Bhansali committee (1939) in Mumbai made an attempt to define an Urban Co-operative Bank. According to this committee, all Urban credit societies having paid up share capital of Rs.20,000/- and over and accepting deposits of money on current account or otherwise subject to withdrawal by cheques drafts or order come within category of Urban co-operative banks.

In many provinces this term was used for credit societies working in urban areas irrespective of the size of share capital or the nature of deposits accepted by them.

The Government of India appointed a committee under the chairmanship of Shri V.P. Varade in 1963 suggested certain norms. The group recommended that a Co-operative credit society registered under the State Co-operative Societies Act in urban and semi urban areas having minimum paid up share capital of Rs.50,000/- and under taking the provision of banking facilities could be termed an Urban Co-operative Bank.

1.2 Definition

V. L. Mehata :-“Co-operative is only one aspect of vast movement with promotes voluntary association of individuals having common needs who combine together for the achievement of common economic ends

W. P. Batiksons:- “Co-operative is a systemof social organisation based on the principles of unity democracy, equity and liberty.