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   INTRODUCTION

   REVIEW OF LITERATURE

   NEED/IMPORTANCE OF THE STUDY

   STATEMENT OF THE PROBLEM

   OBJECTIVES

   HYPOTHESES

   RESEARCH METHODOLOGY

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   APPENDIX/ANNEXURE

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CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

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- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

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- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–22 June.

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- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

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- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

ROLE OF FINANCIAL INCLUSION FOR INCLUSIVE GROWTH: AN INDIAN SCENARIO

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ABSTRACT

The term 'Financial Inclusion' means the transfer of banking services at a reasonable cost to the huge sections of deprived and low income group. 'Inclusive Growth' by its definition implies an impartial distribution *of resources with profits gained to every sections of the society. Financial inclusion and inclusive growth are the two sides of a coin. Both are interrelated and interdependent. For growth to be inclusive, all people should be come under access to financial services. In India, we can see that growth is hampered by Financial Exclusion, which is just the opposite of financial inclusion. Many a times, banking services etc. are not delivered adequately; specially in rural areas. So, there is a need to examine or verify the contribution of financial inclusion (i.e. delivery of financial services to poor) to mould the growth of India which is inclusive i.e. proper allocation of resources to every corners of the country. This paper will be studied with the help of secondary data collected from various journals, Reports, Articles, Reports of various Committees, Plans etc. We will be looking to see a positive relationship between financial inclusion and inclusive growth in India. So, let us hope that this paper reflects a true picture of India in case of access to financial services and building a strong case for inclusive growth.*

JEL CLASSIFICATION
G00, G20, G21.

KEYWORDS
Banking Services, Financial Inclusion, Financial Exclusion, Inclusive Growth.

INTRODUCTION
Financial Inclusion' literally means the transfer of banking services at a reasonable cost to the huge sections of deprived and low income group. The services which normally comes under Financial Inclusion, include – credit, savings, insurance, payments and most importantly remittance facilities. Financial Inclusion is likely to connect the masses to banks with significant benefits. Amartya Sen (2000) argued that poverty is not only insufficient income, but it is the deprivation of various capabilities, which includes security and ability to participate in Economic as well as Political systems. Again, "Inclusive Growth" implies an impartial distribution of resources with profits gained to every sections of the society. When we say about Financial Inclusion, we cannot ignore growth aspect, especially for India. Financially covered people or may be areas can accentuate the growth of a country, where India is also not the exception.

So, the aim of this paper is to generate a relationship of financial inclusion towards inclusive growth of India or what may be the role or part or position played by Financial Inclusion towards inclusive or broad based growth of a country like India.

REVIEW OF LITERATURE
The literature available for Financial Inclusion is not limited. Various studies have been done in this regard.

Across the world, nearly 3 billion people are deprived from the formal financial services. Thus, over the years, numerous definitions of Financial Inclusion have evolved.

Banks have taken out several strategies to enlarge the outreach of their services in order to accelerate financial inclusion. The cost effective manner of this is through forming bond with Microfinance Institutions and local committees. Banks should be encouraged to give wide publicity of "No Frills Account". Banks need to restructure their business strategies to integrate specific plans to promote Financial Inclusion of low income group (V.Leeladhar, 2005).

Access to financial services allows low income groups to save money safely, prevents holding of economic power with a few individuals and alleviate the risk that poor people face as a result of economic shocks (Beck, Demirguc-Kunt and Peria 2006).

Many people with low income, cannot access to the conventional financial products like- bank accounts, and low cost loans, which may hamper in their livelihood (H.M. Treasury, 2007).

In the context of India, Rangarajan Committee [Report of the Committee on Financial Inclusion in India (2008)] defines as – the Financial Inclusion is a process of guaranteeing access to Financial Services and punctual and sufficient credit where required by vulnerable groups such as weaker sections and low income groups at a reasonable cost.

The establishment of systems for Financial Inclusion in India started with the setup of Credit Cooperatives, following the making of the Cooperative Societies Act in 1904 (Kelkar,2010).

In developed countries it is seen that the formal financial sector serves most of the population, in developing countries, a large section of the society, mostly the low-income group, has little access to financial services, either formal or semi-formal. As a result, people have to depend either on their own ways or sources or in formal sources of finance, which are normally at a high cost (Swamy and Vijayalakshmi, 2010).

A working paper for RBI by Sadhan Kumar Chattopadhyay on Financial Inclusion in India about a case- study of West Bengal (2011), has carefully examined the extent of Financial Inclusion in West Bengal. The study reveals that there has been an improvement in outreach activity in the banking sector, but the achievement is not significant. An index of Financial Inclusion (IFI) has been formulated in the study using data on three dimensions of Financial Inclusion viz- Banking Penetration (BP), availability of the banking services (BS) and usage of the banking system (BU). The paper reflects a comparable picture between different states on the basis of IFI rankings.

So, following the above mentioned literature, our present study focuses on the role of Financial Inclusion towards attaining inclusive growth- in context of India.

NEED OF THE STUDY
We all know that India has more number of villages than town and out of total population, 72% lives in villages. But, a considerable proportion of 6, 50,000 villages do not have a single bank branch leading to financial exclusion of rural people. As India's development to a significant extent, depends on this section's economic growth, so it is the need of the hour to bring the unbanked population within the ambit of banking. What seen is that, financially excluded people depend on moneylenders even for their everyday needs, borrowing at excessive rates to finally get caught in the debt trap. These people are completely unaware of financial products like- insurance, which may guard them in adverse situations.

So, with this background, a systematic and meaningful study is required to meet the living condition of poor for ensuring the growth of the economy as a whole.

STATEMENT OF THE PROBLEM
Financial Inclusion is a broad term which covers the access to financial services by all sections of people irrespective of caste, religion, region etc. So, financially included people or any organization may be- bank, co-operative Institutions etc. can engage in growth orientation of an economy of a country like- India. So, with this aim in view, the present paper focuses on the part played by financially included sections towards growth or progress of India.

OBJECTIVES
The objectives of the paper are as follows:
1. To study and understand the meaning and importance for inclusive growth.
2. To know the extent of financial inclusion/exclusion in India.
3. To study the role of Financial Inclusion for Inclusive growth.

HYPOTHESIS
Financial Inclusion has not created a situation for Inclusive Growth in India.

RESEARCH METHODOLOGY
The Data source of this paper is Secondary, collected from various journals, research papers, reports, books, E-Journals, RBI Report, Report of NABARD etc. Then, a broad framework is made on the role of Financial Inclusion over comprehensive growth pattern in India. The study covers entire India.

RESULTS AND DISCUSSION
STARTING OF FINANCIAL INCLUSION CONCEPT IN INDIA
In India, the concept of "Financial Inclusion" was first highlighted in the year 2005, when it was introduced by Dr. K.C. Chakrabarty, the then Chairman of Indian Bank. Mangalam Village of Tamilnadu was the first to be brought under Financial Inclusion, where all households were provided banking facilities. Norms were relaxed for those, aiming to open accounts with annual deposits of less than Rs.50000. General Credit Cards (GCCs) were issued to the poor and the underprivileged with a view to provide them easy and timely credit. In January 2006, the RBI allowed Commercial banks to make use of the services of NGOs/SHGs, Micro-Finance Institutions, and other civil society organizations as medium for providing financial and banking services. The RBI asked the commercial banks in different parts of the country to start a 100% Financial Inclusion Campaign on a pilot basis. As a consequence of this campaign, States or Union Territories like- Kerala, Himachal Pradesh, Puducherry (Pondicherry) announced 100% Financial Inclusion in all their districts. RBI's vision for 2020 is to start nearly 600 million new customers' accounts and service them through a variety of channels by giving weightage on IT.

FINANCIAL EXCLUSION
Financial Exclusion is just the opposite of Financial Inclusion. Financial Exclusion is defined as the limited physical access to banking services as a result of bank branch closures (Leyshon and Thrift, 1993). The term "Financial Exclusion" was first coined in 1993. But it was in 1999, the term "Financial Exclusion" seems first to have been used in a broader sense to refer to people who have limited access to basic financial services (Kempson and Whyley, 1999).
So, the general view is that it refers to people who have problem in accessing proper Financial Services and products in the mainstream financial services market.

TABLE-1: STATE WISE AVERAGE MONTHLY SPENDING AND PERCENTAGE OF PEOPLE BELOW THIS

State	Rural		Urban	
	Average Monthly Spending	% Below This	Average Monthly Spending	% Below This
Arunachal Pradesh	1546	64.0	1947	61.9
Assam	1003	59.4	1755	60.2
Bihar	780	60.6	1238	66.2
Chandigarh	784	62.1	1674	66.0
Delhi	2068	62.1	2654	63.2
Goa	2065	61.2	2644	62.5
Gujarat	1110	60.6	1909	60.0
Haryana	1510	60.6	2321	69.2
Himachal	1536	64.5	2654	64.9
J &K	1344	61.0	1759	66.6
Jharkhand	825	64.6	1584	67.9
Karnataka	1020	62.8	2053	64.6
Kerala	1835	67.3	2413	69.0
MP	903	64.0	1666	66.8
Maharashtra	1153	61.0	2437	69.1
Manipur	1027	60.1	1106	68.7
Meghalaya	1110	61.0	1629	59.8
Mizoram	1262	59.5	1947	58.0
Nagaland	1476	60.8	1832	60.8
Orissa	818	62.4	1548	67.0
Punjab	1649	65.9	2109	65.5
Rajasthan	1179	67.0	1663	65.3
Sikkim	1321	68.7	2150	53.5
Tamilnadu	1160	63.3	1948	64.9
Tripura	1176	63.8	1871	64.4
Uttar Pradesh	899	62.8	1574	70.0
Uttarakhand	1747	83.6	1745	62.6
West Bengal	952	60.6	1965	68.4
All India	**1054**	**64.5**	**1984**	**66.7**

Notes: Average daily consumption expenditure per capita per day for rural areas is Rs.35.10 and for urban areas is Rs. 66.10.
Source: Sunday Times of India, "Times Nation", New Delhi Edn. 29 April, 2012- P. 15
The above table demonstrates that there is significant difference between the states regarding average monthly spending, but in terms of percentage of people below this average, there is not much variation. Still, among rural populations Uttarakhand has the most number of people below the average monthly

expenditure line and Assam showed better percentage. Among urban population, Uttar Pradesh has the maximum number of people below the average monthly expenditure and Sikkim has the least percentage.

TABLE-2: STATE WISE INFORMATION ON NUMBER OF HOUSEHOLDS AVAILING BANKING FACILITIES

Sl. No.	State	Population (based on census 2011)	Number of Branches as on 31.3.2012	Total no. of households	Percentage of households availing banking services	No. of households availing banking services	No. of households not availing banking services
1	ANDAMAN & NICOBAR	379944	43	93376	89.3	83363	10013
2	ANDHRA PRADESH	84665533	7785	21024534	53.1	11163283	9861251
3	ARUNACHAL PRADESH	1382611	88	261614	53.0	138730	122884
4	ASSAM	31169272	1549	6367295	44.1	2807169	3560126
5	BIHAR	103804637	4373	18940629	44.4	8409554	10531075
6	CHANDIGARH/UT	1054686	290	235061	80.1	188304	46757
7	CHHATTISGARH	25540196	1471	5622850	48.8	2744180	2878670
8	DADRA&NAGAR HAVELI/UT	342853	39	73063	56.7	41412	31651
9	DAMAN & DIU	242911	31	60381	65.4	39516	20865
10	DELHI	16753235	2631	3340538	77.7	2595302	745236
11	GOA	1457723	476	322813	86.8	280259	42554
12	GUJARAT	60383628	5172	12181718	57.9	7049297	5132421
13	HARYANA	25353081	2807	4717954	68.1	3214296	1503658
14	HIMACHAL PRADESH	6856509	1106	1476581	89.1	1315900	160681
15	JAMMU & KASHMIR	12548926	1062	2015088	70.0	1410565	604523
16	JHARKHAND	32966238	2009	6181607	54.0	3334876	2846731
17	KARNATAKA	61130704	6598	13179911	61.1	8054677	5125234
18	KERALA	33387677	4681	7716370	74.2	5728876	1987494
19	LAKSHADWEEP	64429	12	10703	85.3	9127	1576
20	MADHYA PRADESH	72597565	4495	14967597	46.6	6975245	7992352
21	MAHARASHTRA	112372972	8927	23830580	68.9	16414892	7415688
22	MANIPUR	2721756	84	507152	29.6	150009	357143
23	MEGHALAYA	2964007	224	538299	37.5	201812	336487
24	MIZORAM	1091014	101	221077	54.9	121285	99792
25	NAGALAND	1980602	100	399965	34.9	139523	260442
26	ORISSA	41947358	3126	9661085	45.0	4351103	5309982
27	PUDUCHERRY	1244464	159	301276	64.0	192695	108581
28	PUNJAB	27704236	4012	5409699	65.2	3527688	1882011
29	RAJASTHAN	68621012	4581	12581303	68.0	8557822	4023481
30	SIKKIM	607688	84	128131	67.5	86457	41674
31	TAMILNADU	72138958	6988	18493003	52.5	9712804	8780199
32	TRIPURA	3671032	247	842781	79.2	667765	175016
33	UTTAR PRADESH	199581477	11261	32924266	72.0	23711472	9212794
34	UTTARAKHAND	10116752	1344	1997068	80.7	1611901	385167
35	WEST BENGAL	91347736	5703	20067299	48.8	9783629	10283670
ALL INDIA		**1210193422**	**93659**	**246692667**	**58.7**	**144814788**	**101877879**

TABLE-3: SUMMARY OF HOUSEHOLDS AVAILING BANKING SERVICES

	2001			2011		
Areas	Total no. of households	Number of households availing Banking services	Percent	Total no. of households	Number of households availing Banking services	Percent
Rural	138271559	41639949	30.1	167826730	91369805	54.4
Urban	53692376	26590693	49.5	78865937	53444983	67.8
Total	191963935	68230642	35.5	246692667	144814788	58.7

Source of Table 2 & Table 3: Census of India and RBI

Table 2 signifies that some states of India still have lesser number of people availing banking services and Table 3 states that compared to 2001, 2011 shows better percentage of people access to banking services in rural, urban & total.

IMPORTANCE OF FINANCIAL INCLUSION

1. It is a necessary requirement for acquiring growth with equity.
2. It protects the poor from the clutches of selfish or greedy moneylenders.
3. It mobilizes the savings of the poor into the formal financial intermediation and channels them into investment.

FINANCIAL INCLUSION IN INDIA

Financial Inclusion in India has been estimated by various Committees in response to its people access to get benefit from banking services. It is noticed that only 34% of India's population has access to banking services (Pandey and Katiyar). The Eleventh Five Year Plan (2007-12) visualized inclusive growth as a key feature. It is a task to achieve Inclusive growth in India as it very difficult to bring together 600 million people of rural India into the mainstream. So, one of the best means to achieve Inclusive growth is through Financial Inclusion.

In India, the process of Financial Inclusion can be broadly classified into three phases:

In the first phase (1960-90), the stress was on channeling of loans or credit to the disadvantaged sectors of the economy. Special prominence was also given on weaker sections of the society. Second phase (1990-2005) emphasized mainly on the reinforcement of financial institutions as part of Financial Sector Reforms. Financial Inclusion was encouraged mainly by the introduction of SHG-bank linkage program in the early 1990's and Kisan Credit Cards (KCCs) in 1998-99 for providing easy and cheap credit to farmers. The SHG-bank linkage program, which was launched by NABARD in 1992, with policy support from RBI, has the motive to provide 'door step' banking to the poor. During the Third phase (2005 onwards), the Financial Inclusion was precisely made as a policy objective and stress was on providing safe facility of savings deposits through "no-frills" accounts.

TABLE- 4: INDIA'S POSITION COMPARED WITH OTHER COUNTRIES

Sl.No.	Country	Number of Branches	Number of ATMs	Bank Credit	Bank Deposits
		(per 1 Lakh Adults)		(as % of GDP)	
1	**India**	**10.91**	**5.44**	**43.62***	**60.11***
2	Austria*	11.81	48.16	35.26	32.57
3	Brazil	13.76	120.62	29.04	47.51
4	France	43.11	110.07	56.03	39.15
5	Mexico	15.22	47.28	16.19	20.91
6	UK*	25.51	64.58	467.97	427.49
7	US	35.74	173.75*	46.04	53.14
8	Korea	18.63	250.29*	84.17	74.51
9	Philippines	7.69	14.88	27.57	53.02
10	Afghanistan	2.25	0.50	11.95	21.4

Source: World Bank, Financial Access Survey, (2) Indian Exps 27.7.2012, (3) Khan, (2012) accessed: 24 July, 2013

Notes: 1. Data given in the table pertains to 2010. However, for rows/cells indicated as* Data pertains to 2009. As at end of 2010-11, [a] the number of ATMs per 1 lakh population stood at 6.3, [b] Bank Credit and Bank Deposit as a percentage of GDP stood at 50.10% and 66.10% respectively for India.

Table 4 interprets that out of per 1 lakh adults' coverage in ten countries (including India), India's position in terms of number of branches is eighth, and in terms of ATMs is ninth, fifth in case of bank credit and third in terms of Bank deposits.

TABLE- 5: PROGRESS OF FINANCIAL INCLUSION PLAN AS ON MARCH 31, 2012

Sl No.	Banking Outlets	Amount
1	Rural Branches	24,701
2	BC outlets	1,20,355
3	Other modes	2.478
4	Total	1,47,534
5	Total number of 'No frill Accounts'	103.21 million
6	Operations in NFA	(Increase of 39.6%)
7	Outstanding balance	Rs. 932.89 billion
8	Overdrafts	Rs. 3.39 billion
9	Transactions through ICT based BC outlets (2011-12)	119.77 million
10	KCC credit	Rs. 2.15 million
11	GCC credit	Rs. 0.22 million

Source: World Bank, Financial Access Survey 2012.

TABLE- 6: OFFICES OF COMMERCIAL BANKS IN INDIA - 2006 TO 2012

	As on March 31						
Bank Group	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
SBI and associates	14313	14680	15859	16913	18240	19027	19787
Nationalized Banks $	35866	37443	39283	41011	43654	46389	50527
Public Sector Banks	**50179**	**52123**	**55142**	**57924**	**61894**	**65416**	**70314**
Old Private Sector Banks	4817	4828	4703	4926	5245	5061	5610
New Private Sector Banks	2017	2598	3637	4335	5235	6984	8258
Private Sector Banks	**6834**	**7426**	**8340**	**9261**	**10480**	**12045**	**13868**
Foreign Banks	259	272	279	295	310	319	324
Regional Rural Banks	14787	14827	15065	15508	15790	16185	16698
Local Area Banks	41	48	48	48	49	54	57
All Commercial Banks	**72100**	**74696**	**78874**	**83036**	**88523**	**94019**	**101261**

Notes:
1. Data on number of offices include administrative offices
2. Data for 2006 to 2011 have been revised and data for 2012 are provisional.
3. $ includes IDBI Bank Ltd.

Source: Master Office File (latest updated) on commercial banks, Department of Statistics and Information Management, RBI (Accessed on 24 July, 2013).

From the above table we can compute that there is a rising trend in the number of offices of Public Sector & Private Sector Banks, Regional Rural Banks as well as all Commercial Banks together.

TABLE- 7: EXPANSION OF BANK BRANCHES IN INDIA

Year	Rural	Semi-Urban	Urban & metropolitan	Total	Rural share (%)
1969	1833	3342	3087	8262	22
1970	3063	3718	3350	10131	30
1975	6807	5598	6325	18730	36
1980	15105	8122	9192	32419	47
1985	30185	9816	11384	51385	59
1990	34791	11324	13637	59752	58
1995	33004	13341	16022	62367	53
2000	32734	14407	18271	65412	50
2005	32082	15403	20870	68355	47
2010	32554	21053	34834	88441	37
2011	33813	23236	36750	93799	36
2012	35653	25542	38698	99884	36

Source: RBI

The above table clearly shows the increase in the number of Bank branches in rural, semi-urban and urban areas, although rural share declines from 1990 onwards.

TABLE- 8: COVERAGE OF BANKING SERVICES IN INDIA

Sl No.	Region	Current Account	Savings Account	Total Population	Total no. of Accounts	Total no. of Accounts (%)
1	North	4215701	52416125	32676462	56631826	17.65
2	North East	476603	6891081	38495089	7367684	2.3
3	East	1814219	47876140	227613073	49690359	15.48
4	Central	2202217	64254189	255713495	66456406	20.71
5	West	3178102	49525101	149071747	52703203	16.42
6	South	4666014	83386898	223445381	88052912	27.44
All India		**16552856**	**304349534**	**1027015247**	**320902390**	**100**

Source: National Sample Survey Organisation (2012).

Table 8 indicates that, among the entire region, South India has maximum number (27.44%) of total Account.

MAJOR ISSUES, CHALLENGES & STRATEGIES IN FINANCIAL INCLUSION

There are various issues, challenges and strategies to achieve or sustain the target of complete Financial Inclusion. These may be:

1. Change in the Tactic of banks.
2. Relaxation in governing framework.
3. SHG-Bank Linkage Program (SLBP)
4. Mutual Fund Institutions.
5. Business Facilitators (BFs)/Business Correspondents (BCs).
6. Mobile Banking Service.
7. Aadhar Enabled Payment System.
8. Financial Literacy & Awareness.
9. Consumer protection and customer service.
10. Issues and challenges in ICT based Financial Services.
11. Financial Inclusion as a business opportunity.

FINDINGS

So, now we can get a clear picture of What Financial Inclusion is and how it helps in attaining Inclusive growth. Here, our above specified Objectives of the study are fulfilled to a certain extent i.e. we have got a clear picture of what inclusive growth is and the extent of Financial Inclusion as well as Exclusion in India; also the role of Financial Inclusion for Inclusive Growth. Again, our stated Hypothesis is rejected, since we have got enough evidence to show that Financial Inclusion has created a situation or environment for Inclusive or equitable growth in India. So, Specific Findings of the study are:

1. India's position in terms of Bank credit and deposits as percentage of GDP has improved significantly in line with other developed countries which may enable the growth process of the country.
2. Various schemes like Kisan Credit Card (KCC) & General Credit Card (GCC) etc. emerged which can generate enough assistance to the small as well as marginal farmers, poor citizens of the country.
3. Branches of Public as well as Private sector banks, Regional Rural Banks have increased tremendously over the years which is the sign of 'Inclusion' in Financial term, that is more financial coverage of people is now possible region wise, which is the sign of prosperity of the nation.
4. Altogether number of Bank branches has increased in rural, semi-urban & urban areas which is a good sign for country's financial up gradation.
5. Coverage of Banking Services has shown an encouraging result. Southern India has gained the most in terms of total number of accounts (Current & Saving).
6. Business Correspondents (BC) outlets have been established in rural centers to drive the government's financial inclusion programme.
7. Also we have seen from the above results that -transactions are now done through ICT based BC outlets for evolving an effective financial inclusion delivery mechanism.
8. Various Technology options such as- ATMs, Mobile Banking, Aadhar Enabled Payment Systems (AEPS) etc. have been started to help in the speedy delivery of cash.

So, from these findings we can say one thing easily that Financial Inclusion i.e. coverage of people from rural to urban financially has been established in India which can easily create an environment for growth with equity.

SUGGESTIONS

1. Use of technology in banking sector has developed fast enough and more interestingly the notion that the poor can be brought under the shadow of banking has arrived. Government should implement various instant measures in a more effective manner.
2. Strengthening of Microfinance Institutions, business facilitators & business correspondents, which can give easy access to banking services especially for rural poor.
3. Financial awareness should be enhanced. For that government should timely inform their new schemes, benefits to the people by advertising the same, so that more & more people should be covered financially.
4. More number of rural bank branches should be established in the rural areas.

5. Credit to the rural poor especially to small & marginal farmers should be given at cheap interest rate. For that Microfinance Institutions or NGOs may be established along with rural banks.
6. Most importantly, equitable distribution of financial services is the key for Inclusive Growth, which Government should take into consideration.

CONCLUSION

Inclusive Growth depends mainly on equitable distribution of growth benefits and opportunities and Financial Inclusion is one of the most critical parts, which need to be equitably distributed in the country in order to attain comprehensive growth. It needs to be assumed by the state that to bring higher growth, there should be inclusive finance irrespective of all sections of people.

Unquestionably, the issue of enlarging the geographical and demographic reach creates challenges from the viability or sustainability perspectives and suitable business models are still developing and various delivery mechanisms are being tested with by the numerous government agencies at the central & state level. But, it is felt that the efforts taken are not good enough to meet this overwhelming issue of Financial Inclusion. Financial Literacy and Awareness continue to remain a matter of concern with regard to usage of financial services or products. It appeals for harmonization of all the participants like- Banks, Governments, Civil Societies, and NGOs etc. to reach the objective of Financial Inclusion.

LIMITATIONS

Although this study is carefully prepared, but there are certain limitations or shortcomings of this study exist. These may be:

1. To cover entire India by Secondary Sources of data is always misleading to a certain extent. Since secondary data cannot always tell the real picture of Financial Inclusion, a Primary field survey is required, but due to time constraint it cannot be possible, which may sometimes question the authenticity of data generated.
2. Financial Inclusion cannot be possible in a short span of time. It requires a longer time period to get a comprehensive result. But, in this study we may not be able to show this in a longer time span and get a clear picture of growth due to non-availability of data. But whatever we have tried to show may bring the desired outcome, i.e. a good picture of Financial Inclusion with inclusive growth.
3. There can be more parameters of Financial Inclusion which may be missing in this study.

SCOPE FOR FURTHER RESEARCH

Financial Inclusion is a key term in Financial Literature, which can take the rural poor to the clutches of banking habits. But for Inclusive growth, i.e. equitable distribution of financial services to all sections of society, only banks cannot fulfill the requirement of people, but various NGOs and Mutual Fund Institutions should come forward. So, there is ample scope for gathering information regarding their role towards Financial Inclusion, which can be a good area for further research. Also, at present Technology can change the world into one system. Various alternative ways of financial inclusion like- Mobile Banking Service, establishment of ATMs etc. have been introduced, which can give new avenues for research in this field.

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