Financial inclusion is about the broadening of financial services to those people who do not have access to financial services sector, the deepening of financial services for people who have minimal financial services, and greater financial literacy and consumer protection so that those who are offered the products can make appropriate choices. It means delivery of financial services, including banking services and credit at an affordable cost to the vast sections of disadvantaged and low income groups. The concept of financial inclusion has been prevailing in India from past 44 years. Beginning with the nationalization of commercial banks in 1969 and 1980, major step taken was the establishment of Regional Rural Banks in 1975 and banking sector reforms after 1991. A large numbers of studies have been made so far on financial inclusion in India, yet some gaps still persist. There are still problems of access to finance; credit, poverty and indebtedness have not been adequately examined. Just to open an account in the bank is not the only solution of the problem. Financial literacy is required for the overall achievement of the objective of financial inclusion. The present study is an attempt to find out regional disparity, indebtedness and status of financial inclusion in India. The present study covers the period from 2000 to 2010.

The present thesis is divided into seven chapters. The first chapter highlights the nature and need of the financial inclusion in the process of inclusive growth and explains the importance of financial exclusion in India. This chapter also contains an exhaustive review of the existing literature pertaining to the area of research. The studies have been presented in chronological order so that the latest studies are presented first followed by the subsequent studies. Research gaps have been identified and a case for the present study has been built in the end. Research Methodology proposed to be adopted to fill the research gap has also been defined in this chapter. It defines the statement of problem and research objectives of the present study. It also provides insights into the framework to operationalise the research objectives of the present study. This chapter also outlines the research methodology employed, the way the data for the study has been collected and the statistical tools used for data analyzation.
The second chapter is focused on the status of financial inclusion in India. The purpose of this chapter is to present an outline of the concept of financial inclusion and its major milestones in India. It also deals with the present scenario of financial inclusion in India. The third chapter discusses the relationship between financial inclusion and economic development of the country with the help of Index of Financial Inclusion and also explores the factors associated with financial inclusion with the help of Regression Analysis. The fourth chapter analyses the trends and patterns of economic inequality across the Indian states. The basic objective here is to understand the dynamics of growth in the country which is resulting in regional imbalances and proposes measures for alleviating the problem. The inter-state inequality in bank branches, credit accounts, saving accounts and credit deposit ratio show a clear picture of regional inequality in India.

Fifth chapter of the thesis critically evaluates the initiatives taken by the Reserve Bank of India for attaining of financial inclusion. The sixth chapter discusses the issues and challenges being faced by banks for achieving a better level of financial inclusion in India. The conclusion and suggestions emerging from present research are explained in the last Chapter Seven.

The prime objective of the present study is to give important clues to understand the nature, causes and determinants of financial inclusion in India. Financial inclusion is required to uplift the poor and disadvantaged people by providing them the customized financial products and services. This leads to inclusive growth encompassing the deprived and marginalized sections. Steps have been taken by the Government and Reserve Bank of India for expansion of banking services and linking of opportunities among various segments of financial sector like capital markets, insurance, etc. to achieve its aim of Inclusive Growth. This study intends to look at the changes occurred in conditions of India by considering the appropriate variables to test.