

Financial Inclusion as a Catalyst for Inclusive Growth: Empirical Evidence from Haryana

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ABSTRACT

In those countries which were not able to distribute the benefits of rapid economic growth in a fair manner, inclusive growth was identified as the number one priority out of other development goals. Consequently, financial inclusion is considered the most effective way of bringing about inclusive growth, with the formal financial sector expected to become more accessible to the less privileged groups who will not only be the customers of the sector but also economically active. This study employing survey data empirically investigates the influence of financial inclusion on inclusive growth in Haryana, India. This paper uses both descriptive and analytical research design. Besides, a wide range of quantitative methods are implemented, including descriptive statistics, factor analysis, and hypothesis testing, to identify the relationship between the dimensions of financial inclusion and the outcomes of inclusive growth. The research on financial inclusion is intended to encompass a wide range of issues that include access to and usage of financial services, adoption of digital financial service, financial literacy, institutional trust, and awareness of government initiatives. The research findings indicate a statistically significant positive relationship between financial inclusion and inclusive growth. Nevertheless, it turns out that real usage, digital inclusion, and trust in financial institutions together with access to the most basic banking services are the main factors leading to inclusive growth. There are still rural and urban divides and lack of digital literacy even though digital financial services are, in general, considered the major inclusion facilitators. While it is true that government programs play a vital role in the process of financial inclusion, their effectiveness is limited due to lack of awareness and uneven implementation. The point is made that financial inclusion can be the main driver of inclusive growth only if it is accompanied by strong digital infrastructure, financial literacy, institutional trust, and well-targeted policy interventions. The paper's implications constitute a reservoir of ideas for the policymakers and financial institutions that are willing to craft efficient and region-specific financial inclusion strategies...

Keywords: Financial Inclusion; Inclusive Growth; Digital Financial Services; Financial Literacy.

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INTRODUCTION

Inclusive growth is a crucial concept that has become the focus of the global development debate, especially in those countries where fast economic growth has not yet brought about socially and economically fair results. Traditional growth indicators such as Gross Domestic Product often fail to reflect inequalities in income distribution, access to opportunities, and participation in formal economic systems. Thus, the idea of inclusive growth is on the top of the policymakers' agenda and is widely embraced by them and scholars as a concept that not only guarantees the equitable sharing of resources but also the provision of equal access to opportunities and institutional support for all the societal groups, especially those that are socio, economically deprived and less advantaged (Chakrabarty, 2009; Chattopadhyay, 2011).

Within this framework, financial inclusion is regarded as the foremost instrument for inclusive growth. Financial inclusion means that everyone, no matter which societal group they belong to, has access to and is the effective user of affordable financial services such as savings, credit, insurance, and payment systems (Camara & David, 2014). The financial sector can play a significant role in achieving inclusive growth by attracting savings, allocating credit in a rational manner, promoting entrepreneurship, and providing means of risk management through insurance and other financial instruments (Chand, Aggarwal & Satija, 2019). If financial services are made accessible and are of the right kind, they will serve as the leverage that people and small businesses require to be able to engage more in economic activities, thus resulting in the growth base getting wider and shared prosperity being deepened. Conversely, the problem of inadequate access to financial services is one of the main reasons for the perpetuation of poverty,

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informality, and social exclusion cycles, particularly in rural areas and places that are less economically strong (Ghosh, 2013; Chibba, 2009).

Financial inclusion has been positioned by India as one of the major policy measures in the road to inclusive growth. However, even after a vast number of financial sector reforms and extensive measures towards bank branch spread, there remain significant differences in the availability and access to banking services mainly due to factors like geography and socio, economic status (Chakrabarty, 2012). The introduction of a simple bank account, together with digital payment methods and financial literacy programs, may be said to have led to formal access, but lack of awareness, difficulty in terms of cost, digital illiteracy, and trust in the institution are still the major impediments to fully exploiting the potential of these interventions (Lenka & Sharma, 2017; Mohan et al., 2018).

The example of Haryana can well be used for researching the interrelationship between financial inclusion and inclusive growth. Haryana which is popular as one of the economically prosperous states in India has been able to experience rapid industrialization, urbanization, as well as the income levels have been increasing. The problem is that the benefits have not been co, equally distributed as there are still significant differences in the standard of living between the urban and rural areas as well as the socio, economic groups. The districts such as Gurugram and Faridabad have the characteristics of high financial penetration and digital adoption while some rural and semi, urban areas are still facing problems of accessibility, financial literacy, and institutional confidence (Lenka & Sharma, 2017; Haryana Sarva Gramin Bank, 2018).

This is a survey, based research that attempts to grasp the concept of how financial inclusion could be the main source of inclusive growth in Haryana by means of primary data collection. The study comprehensively examines financial inclusion aspects like the provision of financial services, usage patterns, digital financial adoption, policy awareness, trust in financial institutions, and then figures out how they relate to different aspects of inclusive growth. In this way, the research attempts to identify the leading factors and discover the structural challenges that influence inclusive growth through the financial sector by employing statistical and factor analysis techniques. This research is, in a sense, a landmark study as it offers very comprehensive, grass, root, real, world evidence for every state regarding the connection between finance and economic growth in a developing country. The outcomes are planned to be a guiding light for the decision, makers, the financial institutions, and the development practitioners who are eager to carry out the effective and finance, included strategies. Ultimately, the research supports the notion that financial inclusion has the potential to become the

leading source of inclusive growth and not just a mere token if the proper institutional frameworks and policy interventions are established.

REVIEW OF LITERATURE

The connection between financial inclusion and inclusive growth has been a major topic of debate in development economics. It has been a central theme that the development economists have explored over the years, and the discussion particularly kept its focus in the context of the emerging economies. Inclusive growth is not just the total economic expansion but mainly focuses on the equal access to opportunities, resources, and institutional support of different socio, economic groups (Chakrabarty, 2009). Some scholars argue that, in the absence of inclusiveness in growth processes, these processes can drive up income inequality and social exclusion, thus becoming the main sources of sustainability problems in the long run (Chattopadhyay, 2011).

Financial inclusion is regarded as a foundation to different kinds of inclusive growth. Chibba (2009) introduces the concept of financial inclusion as the offering of simple, suitable, and time, saving financial services to the disadvantaged population segments and points out its importance in the alleviation of poverty and the economic empowerment process. Moreover, Beck and de la Torre (2007) maintain that comprehensive financial systems solve the problem of imperfect markets since, as a result, more people are engaged in savings, credit, and investment activities. In this way, financial inclusion becomes a tool through which household resilience is strengthened, entrepreneurial activities become easier, and income stability can be achieved, particularly among low, income and rural populations (Demirgüç, Kunt & Klapper, 2013).

Numerous pieces of research have recognized that one of the main aspects of financial inclusion is that it is a multidimensional concept consisting of access, usage, affordability, and quality of financial services. Camara and David (2014) state that just having a bank account is not a cause of financial inclusion if the account is not significantly used and there is no financial literacy. In the same way, Ghosh (2013) emphasizes that the limitation of formal financial services usage will not only limit their potential to challenge inequality but also to become the vehicle of inclusive growth. All these statements leave no doubt that the behavioral, institutional, and structural factors affecting the use of financial services by customers should be understood at the highest level.

India has transformed financial inclusion into a vital policy tool that leads to inclusive growth. Chakrabarty (2012) talks about the Indian way to financial inclusion through bank penetration, digital financial services, and a wide range of government schemes but he still perceives the differences between various areas and

socio, economic groups as unchanged. Lenka and Sharma (2017) conducting their research at the state level, assert that financial access is the economy's growth driver, however, the effect of change depends greatly on the capacity of institutions, literacy level, and infrastructure development.

Besides providing credit, the financial sector can play a significant role in the facilitation of inclusive growth. Chand, Aggarwal, and Satija (2019) state that by resource mobilization, risk management, and offering help to small and micro, enterprises, financial institutions become the major drivers of inclusive growth. Nonetheless, the public's trust in these institutions is what determines the success of financial inclusion to a great extent. Mohan, Sekhani, and Vaid (2018) suggest that distrust, difficult procedures, and lack of transparency result in people disengaging from formal financial institutions, therefore, those who are the most deprived groups of society and the least among them, suffer the most from lack of access.

Localized studies demonstrate that spatial disparities substantially influence the outcomes of financial inclusion; hence, they become the pivotal factors. The Haryana Sarva Gramin Bank (2018) reveals different levels of access to banking services within Haryana by pointing out that urban districts are going through rapid financial penetration, while rural and semi, urban areas are still lacking in accessibility and awareness. These disparities make it possible to question not only the effectiveness of financial inclusion programs in the turn of economic growth into regional, level inclusive outcomes but also their existence themselves.

There have been numerous pieces of literature published over the years, nevertheless, it is apparent that there are still gaps remaining in this field. Most of the works are limited to focusing on the measures taken at the national level or discussing secondary data, thereby leaving the micro, level experiences and perceptions of financial inclusion in the dark. On top of that, the relationship between different facets of financial inclusion such as digital access, policy awareness, institutional trust, and their combined impact on state, level inclusive growth is mostly silent. This research fills those gaps by providing empirical survey data from Haryana, thus, it broadens the understanding of financial inclusion as a complex and multi, layered vehicle for inclusive growth.

RESEARCH METHODOLOGY

Research Design

The study decided on a descriptive and analytical research design to conduct an empirical study of how financial inclusion can be used to achieve inclusive growth in the state of Haryana. The design is appropriate for revealing the financial inclusion patterns, relationships, and even the less visible aspects of financial inclusion, and how they influence inclusive

growth outcomes. In order to ensure an unbiased view of the opinions and personal experiences of the respondents regarding financial inclusion, as well as to keep the statistical rigor intact, a quantitative approach has been employed.

.Study Area

The examination was accomplished in Haryana state, India. In the last several years, Haryana has become a major contributor to the global economy and is still showing inconsistencies in terms of regions and socio, economic factors. The simultaneous presence of highly urbanized centers and underdeveloped villages, makes it possible to effectively evaluate financial inclusion at different levels of demography and geography.

Data Source and Sampling

The research relies on primary data majorly depicting financially inclusive growth via a structured questionnaire. The questionnaire contains various aspects that combine access to financial services, usage patterns, digital financial adoption, financial literacy, trust in financial institutions, awareness of government policies, and perceived economic outcomes. A multi, stage sampling method was employed to select respondents from different districts of Haryana that was a method which ensured the representation of both the rural and the urban areas.

The respondents were people of different age groups, educational backgrounds, occupations, income levels, and residential locations. The approach was a means to guarantee that there would be diversity and the findings could be generalized to the whole state.

Sample Size

The final test only takes into account the valid responses that were gathered during the field survey. To ensure the reliability of the data, only those questionnaires that were fully completed and consistent were taken into consideration for the analysis. The number of samples was deemed sufficient to perform various multivariate statistical methods such as factor analysis and hypothesis testing.

Instrument Design

The survey tool consisted of mostly five, point Likert scale, based closed, ended questions. Five scale points represented strong disagreement to strong agreement or very low to very high, depending on the nature of the variable. The questions were designed based on the detailed review of the literature and the financial inclusion and inclusive growth conceptual framework. The tool was checked for clarity, relevance, and content validity before the actual data collection.

Variables of the Study

Financial inclusion was treated as a multidimensional construct encompassing:

- Easement to financial services
- Usage of banking and financially digital services
- Financial literacy and consciousness
- Trust in financial institutions
- Awareness and effectiveness of government initiatives
- Digital infrastructure and technology adoption

Inclusive growth was assessed through respondents' perceptions of improved economic participation, reduced exclusion, enhanced opportunities, and overall socio-economic well-being.

Data Analysis Techniques

The data that were collected underwent coding and analysis by the use of statistical software.

Descriptive statistics were employed to display demographic characteristics and usual response patterns. Factor analysis was utilized to discover the latent variables of financial inclusion and for the purpose of the

data volume reduction. The suitability of the data for factor analysis was ascertained by the Kaiser, Meyer, Olkin (KMO) measure and Bartlett's test of sphericity. Hypothesis testing was done using appropriate inferential statistical methods in order to find out the link between the different dimensions of financial inclusion and inclusive growth. The results allowed to pinpoint the main factors that brought about inclusive growth through the use of financial inclusion instruments.

RESULTS AND FINDINGS

Demographic Profile of Respondents

The investigation collected direct information from the respondents who were a representation of varied socio-economic divisions from the entire Haryana. The demographic composition was of a nature that it facilitated the right representation of sexes, age categories, educational standards, occupations, and places of residence. The range of respondents deepens the validity of the following empirical analysis.

Table 1 Demographic Characteristics of Respondents

Variable	Category	Percentage (%)
Gender	Male	58.4
	Female	41.6
Age Group	Below 30 years	27.1
	31–40 years	34.6
	41–50 years	22.8
	Above 50 years	15.5
Residence	Urban	54.2
	Rural	45.8
Education	Secondary or below	39.7
	Graduate and above	60.3

Awareness and Access to Financial Services

Findings signal that people are well-informed about standard banking services but knowledge about sophisticated financial products is still varied especially in the countryside. People living in cities have on average 2.5 times higher awareness of digital and investment-related services than those living in rural areas.

Table 2 Awareness of Financial Services

Financial Service	Aware (%)
Savings and deposit accounts	92.6
ATM and debit card services	88.3
Digital payment platforms	71.4
Credit and loan products	63.9
Insurance schemes	58.7
Investment products	41.2

Usage of Financial Services

Although most people have accounts, different types of services show different figures in terms of active usage. The difference between access and usage thus, points to the existence of both structural and behavioral obstacles that hinder people from achieving full financial inclusion.

Table 3 Usage Pattern of Financial Services

Service Type	Regular Use (%)	Occasional Use (%)	Rare/Never (%)
Savings accounts	78.9	16.3	4.8
Digital payments	64.5	21.7	13.8
Formal credit facilities	46.2	29.4	24.4
Insurance services	39.8	27.6	32.6

Digital Financial Inclusion

Even though digital financial services have made accessibility more attractive especially to the youth and people living in the cities, there are still some infrastructural and literacy challenges that limit the adoption of these services in rural areas.

Table 4 Barriers to Digital Financial Adoption

Barrier Identified	Respondents (%)
Poor internet connectivity	46.8
Lack of digital literacy	42.3
Security and fraud concerns	38.6
Language and usability issues	31.4

Urban–Rural Comparison of Digital Financial Usage

Figure 1 visually demonstrates a comparison between the urban and rural usage of digital financial services in Haryana. Across all modes of digital financial interaction, including digital payments, mobile banking, online transfers, and e, wallets, the urban respondents have exhibited a remarkably higher level of usage. The gap that has been identified suggests that a digital divide still exists which, in essence, is due to the reasons such as differences in the availability of the infrastructure, the level of digital literacy, and the extent of trust in digital platforms.

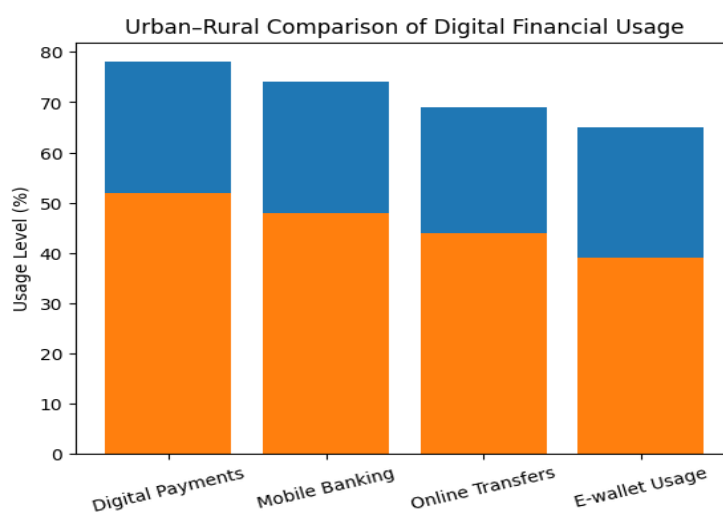


Figure 1 Urban–Rural Comparison of Digital Financial Usage
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Factor Analysis Results

Exploratory factor analysis revealed the main aspects of financial inclusion that drive inclusive growth. The KMO value was above the acceptable limit, and Bartlett’s test confirmed that the sample was adequate. Together, these factors account for a significant part of the variance in financial inclusion outcomes.

Table 5 Extracted Factors of Financial Inclusion

Factor	Factor Name	Key Variables Included	Variance Explained (%)
F1	Financial Access & Usage	Bank access, transaction frequency	26.4
F2	Digital Financial Inclusion	Mobile banking, online payments	18.7
F3	Government Policy Awareness	Knowledge of schemes, policy effectiveness	14.3
F4	Institutional Trust	Transparency, grievance redressal	11.6
F5	Financial Literacy	Product understanding, informed decisions	9.8

Relationship Between Financial Inclusion and Inclusive Growth

Hypothesis testing confirms a statistically significant relationship between financial inclusion dimensions and inclusive growth indicators.

Table 6 Hypothesis Testing Summary

Hypothesis Statement	Result
Financial inclusion positively impacts inclusive growth	Accepted
Digital financial services enhance inclusive growth outcomes	Accepted
Government initiatives significantly influence financial inclusion	Accepted
Trust in financial institutions affects service usage	Accepted

Perceived Impact on Inclusive Growth

Respondents reported positive socio-economic outcomes associated with increased financial inclusion.

Table 7 Perceived Outcomes of Financial Inclusion

Outcome Indicator	Agree (%)
Improved access to economic opportunities	72.8
Reduced dependence on informal lenders	69.3
Enhanced financial security	66.7
Increased participation in formal economy	71.5

Perceived Contribution of Financial Inclusion to Inclusive Growth

Figure 2 represents the people's opinion about the contribution of financial inclusion to inclusive growth in Haryana. The stacked bars depict the proportion of respondents who agree, are neutral, or disagree with the key inclusive growth outcomes linked to financial inclusion.

The figure indicates that the majority of the respondents perceive financial inclusion as a factor that has led to the positive outcomes of inclusive growth. The strongest agreement, in fact, can be located for improved economic participation and increased participation in the formal economy. A considerable number of respondents also suggest the reduction of reliance on informal lenders and the increase in financial security. Neutral responses signify that

some benefits have been experienced, or the experiences have been different in different areas, while the level of disagreement is quite low across all the indicators.

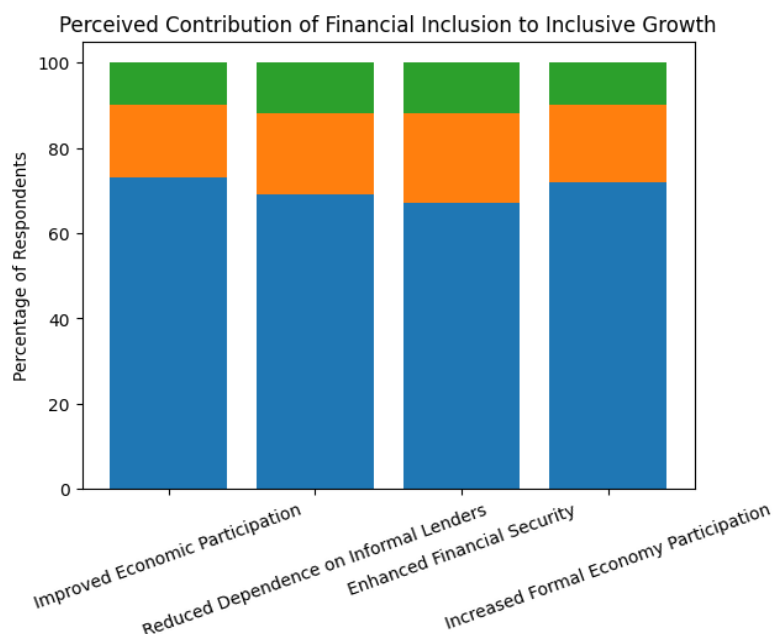


Figure 2 Perceived Contribution of Financial Inclusion to Inclusive Growth

Key Empirical Findings

- Financial inclusion is the major factor that is resulting in inclusive growth in Haryana.
- Digital financial services are the main drivers of inclusion.
- Trust and financial literacy are still the main factors that determine usage of financial services over time.
- The government initiatives are great in terms of their results but they still need to have a much stronger outreach and be simplified more.
- Differences between rural and urban areas are still among the reasons that affect the results of inclusion.

DISCUSSION

The study's results offer strong empirical evidence that support the statement that financial inclusion is the main driver of inclusive growth in Haryana. The evidence largely supports the theoretical view that inclusive growth cannot be the result of mere aggregate economic expansion, but has to be accompanied by equitable access to financial resources and institutional support (Chakrabarty, 2009; Chattopadhyay, 2011). By statistically confirming the link between the financial inclusion dimensions and the perception of inclusive growth outcomes, this study is a finance, led inclusion scenario in regional development to a great extent.

The impressive degree of knowledge and access to basic banking services among the respondents mirror the changes brought about by financial sector reforms along with government, led inclusion initiatives. Nevertheless, the gap in awareness and usage of advanced financial products, especially in the rural areas, is in line with the

studies conducted by Chibba (2009) and Camara and David (2014) who argue that financial inclusion should be considered beyond the simple ownership of an account. The difference between accessing and actually using financial services shows that there are still structural and behavioral barriers that have prevented the revolutionary potential of financial inclusion from being realized so far.

The present research usage patterns are in agreement with the opinion of Demirgüç, Kunt and Klapper (2013) who insist that real participation in financial systems should be based on regular and informed usage rather than only formal access. The very limited use of formal credit and insurance services by some socio, economic groups can be seen as a consequence of long, time issues such as procedural complexity, affordability, and distrust that have been there for a while. These problems support Ghosh's (2013) point of view that the limited use of financial services can lead to these services having a reduced impact on the alleviation of inequality and the promotion of inclusive growth.

Digital financial inclusion, especially in urban areas, was among the topmost factors that brought about access to finance and participation. It is in agreement with the view of Lenka and Sharma (2017) who argue that state, level economic growth and inclusion are mainly driven by technology, enabled financial services. However, the disappearance of a digital divide, particularly in the countryside, indicates that a technology, driven mode of inclusion cannot succeed if the right digital infrastructure and literacy are not available. Problems in situations of bad connectivity, security issues, and lack of digital skills

are conforming to the statements of Mohan, Sekhani, and Vaid (2018) who claim that trust deficits and technological apprehensions are the major obstacles to adoption.

Factor analysis outcomes also assist in conveying that financial inclusion is a difficult social issue with various sides. The discovery of separate factors such as financial access and usage, digital inclusion, policy awareness, institutional trust, and financial literacy is consistent with the analytical framework set forth by Beck and de la Torre (2007). The fact that institutional trust is singled out as a separate factor means that it has a considerable influence on determining financial behavior. This research supports previous studies that trust in financial institutions is the most determining factor that leads individuals to formal financial systems engagement (Mohan et al., 2018).

Government interventions and policy awareness are regarded as two of the most influential factors in the creation of financial inclusion results. Participants who were informed about government programs and policy support also stated that they were the ones who benefited the most from inclusion and growth, related activities. It is in line with Chakrabarty's (2012) view that policy, driven inclusion initiatives can bring about real outcomes if they are effectively communicated and implemented. Nevertheless, the findings suggest that the effects of policies are limited because of poor dissemination and less localization, especially in farming areas. Financial inclusion is strongly and positively associated with inclusive growth, which is the result of factors such as increased economic participation, reduced reliance on informal lenders, and enhanced financial security, all of which are in line with the broader development literature.

CONCLUSION

This research is primarily based on data obtained from a primary survey and is supported by quantitative analytical techniques to reveal the significance of financial inclusion in this context. The findings signal that financial inclusion has indeed been instrumental in the qualitative improvement of growth in various ways. To illustrate, the provision of financial services through inclusion makes socio, economically backwards groups more active economically; and as a result, financial exclusion of these socio, economic groups is lessened. Importantly, it presents financial inclusion not only as a necessary supporting policy that has to be implemented in parallel with other policies, but more so as the core driver of equitable economic development. The significant part of the study is the findings of it, which show that the universal basic banking access is to a large extent achieved, but factors of inclusive growth are still deeply embedded in features of financial inclusion, such as effective usage, digital adoption, financial literacy,

institutional trust, and knowledge about government schemes. The continuation of rural, urban divides and different usage patterns means that access, centric approaches, which dominate the financial inclusion sector, have to come to an end and that there is the need for more comprehensive and user, focused financial inclusion strategies to start. Digital financial services have particularly contributed in urban areas to the rapid financial inclusion and better access to services. However, the existence of digital division, low digital literacy, and security issues have affected the rural areas thereby limiting their inclusive potential. Also, trust in the institution was identified as the primary factor that led to the continued engagement of financial services. Hence, the significance of transparency, consumer protection, and easy grievance redressal should be highlighted. Moreover, the paper posits that given the right institutional settings, policy directions, and the availability of technological infrastructure, financial inclusion can substantially contribute to inclusive growth in Haryana. If the behavioural and structural barriers that are in place are not removed, they will limit the extent to which the financial sector initiatives can result in inclusive growth. Moreover, the paper posits that given the right institutional settings, policy directions, and the availability of technological infrastructure, financial inclusion can substantially contribute to inclusive growth in Haryana. If the behavioural and structural barriers that are in place are not removed, they will limit the extent to which the financial sector initiatives can result in inclusive growth.

Policy Implications

The revelations coming from this research study provide an eye, opening moment and a call for action to the numerous players of different kinds significantly affected by the study results. Among such players are policy, makers, financial institutions, and development stakeholders who are mutually engaged in resolving social problems that result from advancing financial inclusion through facilitation thereof. Financial inclusion through the development of a policy based on account ownership is not the main idea anymore. Consequently, more attention should be directed to the usage, quality, and sustainability of financial services rather than to account ownership. Governments are the ones who have to ensure that the schemes they initiate or support have the effect that financial products, especially credit, insurance, and savings products, for the unbanked or less, served segments of society, are used regularly and meaningfully. It is only when the adoption of digital finance is used as a springboard that the issue of rural or semi, urban regions having a digital finance infrastructure becomes a matter of concern. While a good internet connection is necessary, the installation of digital payment systems should complement each other,

and the services should be offered on a secure platform. Nevertheless, such a thing cannot take place without detailed digital literacy programs specifically aimed at the target audience. Customers need to be so enabled that they are the ones who will be sure that their transactions are done securely and, at the same time, all their security, related concerns are taken care of.

Financial illiteracy should not be used as a reason to downgrade the raising of the financial literacy level which actually should be increased twice as much. One way to do that is by having programs which are not only tailored for different regions but also designed in local languages and take into account the distinct features of the different regions thereby enabling the people to make rational financial choices. Adequate financial literacy will lead to the use of financial services, thus trust in formal financial institutions will be deepened.

Consumers' trust in the institutions that offer them services should not be taken for granted, and hence, more efforts are required to build this trust. To achieve consumers' loyalty, among other things financial institutions should concentrate on simplifying their procedures, being more transparent, and improving the grievance redressal mechanisms. To this extent, regulatory authorities cannot remain indifferent and should take an active part in the game of protecting the consumers by ensuring that the solid frameworks for their protection are in place and are being followed, thus, at the same time, there are fewer opportunities for exploitative practices and increased accountability.

The government programs that are supposed to lead to financial inclusion need to be localized and more effectively communicated to the target groups. There is a need for the intensification of awareness, building measures, and this should especially be the case in rural areas, hence the people there are the final users of the schemes who not only understand but also make use of what is available. The crucial public, private partnerships in enabling access to the target groups and enhancing the delivery of services may be utilized. Last but not least, a concerted and region, specific approach is necessary in order to tackle the problem of financial inclusion that varies among different groups of people. Local state strategies that take into account not only the economic and social situation of the area but also the behavioral factors and infrastructural gaps, are more likely to result in inclusive growth rather than centrally driven uniform interventions.

Limitations of the Study

While the study contributes important empirical insights, it has some limitations that should be acknowledged. First of all, the study is based on the primary survey data that the authors of the paper have directly collected from the respondents in Haryana state. Even though the state, level focus of the study makes the results more relevant

to the local context, it limits the extent to which the findings can be generalized to the areas that have different socio, economic and institutional conditions.

Additionally, the research relies on the self, reported perceptions of financial inclusion and inclusive growth. Perception, based measures are widely used in social and economic research; however, they can be subject to individual bias, recall errors, and subjective interpretation. Hence, because of the absence of objective financial performance indicators, the accuracy of the outcome measurement may be constrained. Furthermore, the research follows a cross, sectional design, so it only looks at the responses recorded at a single point in time. Therefore, it is not feasible to establish the cause, effect relationships between financial inclusion and inclusive growth. The use of longitudinal data will help to see the gradual changes and the long, term effects. Finally, the study attempts to address different aspects of financial inclusion, but it does not consider income levels, the employment patterns of the sector, and district, wise institutional variations in detail. These factors can influence financial behavior and inclusion outcomes, and hence, they should be studied extensively.

Future Scope of Research

Future initiatives will readily allow present findings in several materially different ways. For instance, comparative studies across different states or regions may make the results generalizable to a bigger population, and hence, it would be easier to locate the challenges and opportunities of financial inclusion that are localities, specific.

Moreover, it is possible to think of long, term research models that will follow the lasting impact of financial access interventions on income mobility, poverty reduction, and economic resilience. Such works will be instrumental in picturing the direct links between financial inclusion and inclusive growth.

Besides that, researchers may decide to link strict financial data such as transaction volumes, credit access indexes, and savings behavior with perception, based information to a deeper study. In addition to that, qualitative methods such as interviews and focus group discussions can shed more light on the quantitative results by understanding people's lived experiences and the view of the institutions.

In consideration of digital finance becoming more and more significant, the next studies should examine how the use of innovative financial technologies, cybersecurity concerns, and trust in digital services affect the outcomes of inclusive growth. Besides that, a deep dive into the gender, specific and disabled community stories will substantially raise the understanding of the financial inclusion dynamics.

In brief, the decision to broaden the research's methodological and geographical horizons will bring about a more detailed and nuanced policy framework as well as the increased leverage of financial inclusion as a facilitator of inclusive and sustainable economic growth.

Ethical Considerations

Survey respondents chose to take part in the survey on their own accord and were also made aware of the research goal. The research team highly valued the respondents' privacy and the confidentiality of their responses. The use of data was strictly limited to the academic research purposes..

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