

## ABSTRACT

*As the majority of the population is still not included in the inclusive growth, the concept of Financial Inclusion becomes a challenge for the Indian economy. Since 2005, many concerted measures have been initiated by the Reserve Bank of India and Government of India in favour of Financial Inclusion but the impact of these did not yield satisfactory results. To provide all households in the country with banking services, a time-bound programme has been launched, known as Pradhan Mantri Jan Dhan Yojana. Providing banking services and financial independence to unbanked Indians through a two-phase plan. In terms of economic growth and development, the importance of Financial Inclusion cannot be understated. It provides social security for each household in India, as they are no longer subject to extortion practices arising from banking in the informal sector, including predatory lending. Financial Inclusion has a major impact on economic growth. It will help to formalise many industries as income can be catalogued and taxed more efficiently. This in turn leads to better estimates of economic data, allowing for more transparency in the economy and more accurate forecasts. Revenue would increase government spending, allowing for increased financing of government led infrastructural developments. More bank accounts would also lead to an increase in reserves for Indian banks. This allows for more loans to be taken out and increases consumption and investment in the economy. The present paper is an attempt to highlight the impact of Pradhan Mantri Jan Dhan Yojana on Financial Inclusion. The study is purely based on secondary data for the period of September 2014 to March 2016.*

Keywords: Inclusive Growth, Financial Inclusion, Pradhan Mantri Jan Dhan Yojana, Banking.