GROW
GREENING OF FINANCE BY WOMEN
An Initiative under GIFS

Green Indian Financial System

Updates from Green Indian Financial System
Phase II, Edition 3 | May 2026

The Green Indian Financial System Initiative (GIFS) is pleased to share the third Quarterly Update of Phase II.

This quarter focused on advancing ecosystem engagement and diagnostic-led discussions to better understand key barriers within the green finance ecosystem, particularly the disconnect between the growing availability of green finance and MSMEs' limited readiness to access and utilize it effectively.

As India's sustainable finance ecosystem evolves, the emphasis is increasingly shifting from awareness creation to execution and accessibility. While financial institutions are expanding green portfolios and policy frameworks are advancing, the ability of MSMEs, particularly women-led enterprises, to translate opportunity into access remains uneven.

Through the GroW Network, GIFS has convened a series of practitioner-led engagements this quarter, bringing together lenders, entrepreneurs, policymakers, microfinance actors, and ecosystem intermediaries. These engagements were designed not only to surface barriers but to generate actionable insights that can inform practical interventions across the ecosystem.

Highlights of Q3 Phase II:

During Q3, GIFS undertook a series of activities focused on capacity building, ecosystem engagement, and knowledge dissemination:

- Two GroW Network webinars were conducted on April 17 and April 21, 2026, drawing approximately 26 and 116 participants, respectively, and featuring 6 and 10 speakers, including women entrepreneurs, financial institutions, development partners, and ecosystem stakeholders
- The inaugural GIFS Training Session for financial institutions was conducted on April 28, 2026, with 8 participating financial institutions and 21 attendees spanning risk management, product development, and sustainability functions
- A Focus Group Discussion (FGD) was conducted on April 28, 2026, bringing together ecosystem stakeholders to examine barriers and opportunities in climate finance for MSMEs

GroW Network Webinars

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As part of our activities, we conducted two webinars this quarter focused on women-led MSMEs and green finance. The underlying idea was to move beyond generic awareness and create practitioner-led spaces for problem-solving, directly addressing the gap between the growing availability of green finance and the limited readiness of women-led enterprises to access and use it effectively. Here is what emerged:

Women Entrepreneurs and Business Credit: Experiences and Needs in the Context of Climate

17th April 2026 | Virtual

The webinar focused on understanding the **experiences and needs of women entrepreneurs in accessing business credit within a climate context**. The session brought together women entrepreneurs, microfinance practitioners, and ecosystem organizations to highlight the mismatch between financial product design and the realities of women-led enterprises, particularly those operating in informal and climate-sensitive sectors.

Key takeaways:

Gender integration must be structural
Participants emphasized that gender considerations must be embedded across the full financial lifecycle, from product design and credit appraisal to monitoring and evaluation, rather than treated as a standalone or add-on objective. Treating gender as peripheral limits the effectiveness of green finance interventions

Misalignment between financial products and business models
Many women-led enterprises operating in sectors such as sustainable textiles, circular economy, and small-scale manufacturing often require flexible working capital support to manage supply chains, production cycles, and day-to-day operations. However, existing green finance offerings remain largely oriented towards capex financing and asset-based investment.

Persistent credibility and perception barriers
Women entrepreneurs frequently encounter additional scrutiny in credit markets, including higher expectations for proof of business viability, perceived risk associated with smaller-scale or non-traditional sectors, and limited institutional recognition of integrated business models that combine climate and social impact outcomes.

Finance alone is insufficient: Access to capital must be supported by a broader ecosystem of support, including continuous capacity building, access to markets and value chains, mentorship and peer-learning networks, and institutional advisory services. Without these enablers, financing alone does not translate into business resilience or growth.

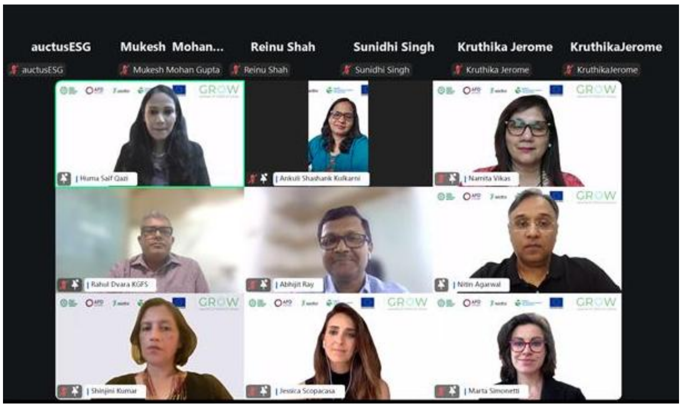
Market creation depends on risk-sharing and anchoring mechanisms: Guarantees, co-lending, ESCO-led models, and value-chain anchoring are critical to crowd in commercial finance, pilot new technologies, and enable future securitization and refinancing of green MSME loan pools.

From Idea to Credit: Building Bankable Proposals for Women-Led MSMEs

24th April 2026 | Virtual

The second webinar focused on **building credit-ready, bankable proposals for women-led MSMEs**. With over 200 registrations and 116 participants, the session brought together lenders, fintech platforms, and entrepreneurs to demystify the credit process.

A key takeaway from this session was that the primary constraint to scaling green MSME finance is not capital availability but the **lack of well-structured, credit-ready proposals**. The discussion highlighted the importance of understanding the **loan lifecycle**, including documentation, financial due diligence, and credit appraisal. It also emphasized the need to strengthen financial literacy, particularly around concepts such as cash flow, repayment capacity, and financial documentation.



Key Takeaways:

Bankability requires speaking the lender's language: Many viable women-led MSMEs fail to secure loans not because of a lack of potential, but because their proposals do not clearly demonstrate repayment capacity, cash flow stability, and financial viability in terms that lenders assess.

Financial readiness is a learnable capability: bankability can be strengthened through targeted capacity building and financial literacy. Grasping concepts like EBITDA, DSCR, working capital cycles, and cash flow forecasting improves loan application quality and helps entrepreneurs engage lenders more effectively, negotiate better terms, and submit stronger, more credible proposals.

Documentation and process readiness are critical to credit access: Many loan applications fail before financial viability is assessed due to gaps in documentation and compliance. Since lending involves multiple stages—KYC, financial records, due diligence, appraisal, and approval—well-organized records, GST filings, transaction histories, and supporting documents are essential to build lender confidence and speed up approvals.

Green finance introduces additional appraisal challenges: Beyond business viability, borrowers must demonstrate technology performance, environmental impact, and long-term returns. Limited lender familiarity with emerging green technologies often leads to more cautious lending, especially for smaller women-led enterprises, making practical guidance and stronger borrower–lender engagement essential for scaling inclusive green finance.

GIFS Inaugural Training Session: Building Institutional Capacity

On **April 28, 2026**, GIFS conducted its inaugural training session for financial institutions, marking an important step toward strengthening **institutional capacity for climate finance integration**. The session brought together **21 participants from 8 financial institutions**, representing a diverse cross-section of the financial ecosystem:

- **Private Sector Banks**: HDFC Bank, Kotak Mahindra Bank, ICICI Bank, City Union Bank
- **Public Sector Banks**: Bank of Baroda
- **Development Finance Institutions**: SIDBI
- **NBFCs**: BlackSoil
- **Investment Firms**: SAGANA

Participants represented key functional areas, including **risk management, product development, and sustainability**, enabling cross-functional dialogue on climate finance integration.

Key Learnings

- While FIs are gradually developing a conceptual understanding of climate risks, there is a need to support FIs with the ability to develop an application-oriented understanding of climate risks
- Knowledge on existing green financing schemes remains limited, highlighting that FIs need capacity building and awareness on existing green financing schemes. Capacity building will also explore establishing partnerships with institutions such as SIDBI and the Bureau of Energy Efficiency.
- FIs emphasized the importance of practical tools such as risk management checklists for MSMEs and stronger branch-level awareness to integrate climate risk into lending practices effectively.

This session highlighted that scaling green finance will require not only product innovation but also **institutional readiness and operational capability**.

Updates from the Technical Assistance Centre

Strategic Partnerships under GIFS: MoU Signings with MSME Industry Associations

Under the TAC component of the Green Indian Financial Systems (GIFS) Initiative, the Foundation for MSME Clusters (FMC) signed Memoranda of Understanding (MoUs) with the Knitwear Club (Regd.), Ludhiana, and the Peenya Industries Association (PIA), Bengaluru, to strengthen MSME access to green and climate finance. The partnerships aim to support MSMEs through awareness generation, capacity-building programs, networking and matchmaking with financial institutions, and development of bankable green project profiles. The collaborations will also facilitate climate finance tracking, promote the adoption of energy-efficient and low-carbon technologies, and strengthen institutional readiness for sustainable industrial transition.

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FGD Series on Green and Climate Finance Taxonomy, Reporting Frameworks, and Implementation Challenges

The two Focused Group Discussions (FGDs) under the GIFS Initiative brought together financial institutions, regulators, MSME stakeholders, and sector experts to deliberate on green finance taxonomy, climate finance measurement, and barriers to scaling green finance in India. Discussions highlighted the need for standardized regulatory frameworks, stronger taxonomy guidance, automated data systems, and institutional capacity building to improve the classification and reporting of green finance exposures. Participants emphasized persistent financing gaps for MSMEs, the importance of integrating climate risk into core banking systems, and the need for a stronger focus on adaptation, transition finance, ecosystem coordination, and practical implementation support for lenders and borrowers alike.

Explore our Knowledge Hubs for resources, reports, and articles on green and climate finance.

GIFS Knowledge Hub

GroW Knowledge Hub

What's coming up?

Women Leadership in Green Finance: A Virtual Peer Exchange for Experience Sharing and Building Leadership Pathways

What is it?

A Virtual Peer Exchange for Experience Sharing and Building Leadership Pathways is a virtual convening scheduled for May that brings together senior women leaders and emerging professionals across the green finance ecosystem. The session will create a platform for candid peer exchange, mentorship, and interactive dialogue on career journeys, systemic barriers, and leadership pathways for

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	women in green finance. Through moderated discussions and an AMA-style interaction, the event aims to strengthen women's visibility, networks, and leadership pipeline within the sector.
GroW Bankers Training: Session 1: Governance, Policies, and the Enabling Environment for Gender-Responsive Climate Finance	**What is it?** An in-person, cohort-based workshop is scheduled on Tuesday, 30 June 2026, in Mumbai. Designed for credit, risk, product, and sustainability professionals from banks, NBFCs, MFIs, and development finance institutions, the session will build a foundational understanding of gender-responsive climate finance, including the financial relevance of gender-differentiated climate risk, global and Indian policy frameworks, and the governance mechanisms required to integrate gender and climate considerations into institutional lending, strategy, and risk management practices.
GIFS-GroW-TAC Annual Event	**What is it?** Scheduled for 21–22 July 2026 at the Jio World Convention Centre, the event will convene financial institutions, policymakers, development partners, industry leaders, and sustainability practitioners to advance dialogue and collaboration on climate finance in India. The two-day convening will showcase key learnings and progress under the GIFS Initiative while facilitating discussions on green finance, MSME resilience, institutional readiness, gender-responsive finance, and the innovations needed to accelerate an inclusive, climate-resilient financial ecosystem.
	What is it? This paper examines the climate and transition risk exposure of Ludhiana's knitwear MSME cluster from a financial sector perspective,

Research report on Examining climate risks and unlocking green finance in Ludhiana's knitwear cluster	focusing on how physical and transition risks translate into financial risks for banks and NBFCs. It further seeks to identify structural financing barriers, assess existing policy and financing mechanisms, draw lessons from global best practices, and propose cluster-level green finance solutions to support climate resilience, competitiveness, and a sustainable industrial transition.

Women in Green and Climate Finance Database

GroW continues to expand its database of women experts working in green and climate finance to enhance visibility and serve as a resource for the ecosystem. If you are a woman working in this space, or know someone who should be included—please complete the form or share within your networks

Join the GroW Network

What We Are Reading and Listening To...

Global water crisis aggravated by gender inequalities according to new UN Report

Image source: ©Barun Rajgaria for Onewater

The ICRW report covers progress on the Sevilla Platform for Action (SPA) initiatives post-FfD4 (2025), targeting gender equality via investments in care systems, gender-responsive public finance, access to finance, and prevention-focused social investments. It assesses three areas—investment/service delivery, fiscal/financial frameworks, and governance/coordination—using desk reviews and interviews to highlight challenges, best practices, and pathways for impact. (68 words)

Read more here | Source: UNESCO

A Post-FfD4 Assessment of Financing for Development and Gender Equality

The UN report highlights that gender inequality worsens the global water crisis, as women and girls collect water in over 70% of unserved rural households, spending 250 million hours daily on this task. They face greater health, education, and safety risks, yet remain underrepresented in water governance and leadership. Legal, financial, and data gaps must be addressed to ensure equal access and women's participation in water-related decision-making.

Read more here | Source: ICRW

Podcasts to explore

Tune in to these podcasts for professional development, leadership insights, and inspiration for women in finance and sustainability:

🎧 **Friends that Invest: Hosted by Sim and Sonya**	A weekly investing-education podcast hosted by Sim, an optometrist turned Forbes 30-Under-30 investor. It explains stocks, index funds, ETFs, and wealth-building in simple, jargon-free language, aimed especially at women and underrepresented groups. With over 10 million downloads, it mixes practical steps, mindset shifts, and occasional expert interviews to help beginners start investing confidently and consistently. **Listen on Apple Podcasts**.
🎧 **Money Watch with Jill Schlesinger**	A CBS News podcast hosted by financial expert Jill Schlesinger and co-host Mark Talercio. It provides no-nonsense, jargon-free advice on personal finance topics such as debt, retirement, investing, and scams, helping build listener confidence. Episodes drop every Saturday and Sunday, addressing real questions in short, practical segments. **Listen on Spotify**

For any questions or to connect with us, please reach out at info@gifsinitiative.in..

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