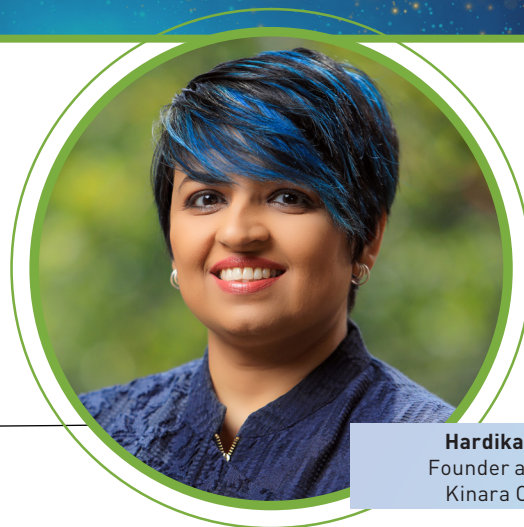




Winner



Hardika Shah,
Founder and CEO,
Kinara Capital

Kinara Capital

About the Company

Name: Kinara Capital

Country: India

Employees: 1,001 – 5,000

Percentage of women employees:
Between 15% – 29%

Website: <https://kinaracapital.com>



Kinara Capital is a fast-growing Fintech Non-Banking Financial Company (NBFC) dedicated to last-mile financial inclusion for small business entrepreneurs in India. Using artificial intelligence and machine learning alongside in-person support, Kinara Capital delivers a collateral-free and bias-free approach to formal credit, disrupting the traditional small business lending model in India.

Led by visionary Founder and CEO Hardika Shah, Kinara Capital was recognized by the International Finance Corporation (IFC) Small and Medium-sized Enterprise Finance Forum as the SME Financier of the Year 2024 in the NBFI, Microfinance Institution and Fintech Global category. With a women-majority management team, the company has raised the bar for gender inclusivity, both internally as an organization and externally through its HerVikas programme for women entrepreneurs.

Kinara Capital is classified as a Systemically Important NBFC by the Reserve Bank of India and is a debt-listed entity on the Bombay Stock Exchange. Founded in 2011 and headquartered in Bengaluru, Kinara Capital has a presence in over 100 cities across India.

Breaking the credit barrier for women entrepreneurs

Despite making up nearly half of India's population, women's participation in the labour force remains low, with only 42 per cent engaged in gainful economic activity as of 2023–2024.¹ Women entrepreneurs face even greater challenges, particularly in accessing formal credit. Women-led MSMEs make up 20 per cent of India's 63 million MSMEs but account for around 40 per cent of the US\$380 billion credit gap, facing a \$158 billion shortfall, according to IFC and World Bank estimates.²

A key driver of this disparity is collateral-based lending, which requires assets that most women business owners

¹ Ministry of Women and Child Development, Government of India. Press Release on International Women's Day 2024: Initiatives and Achievements. Press Information Bureau, March 8, 2024. Available at: <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2034928>

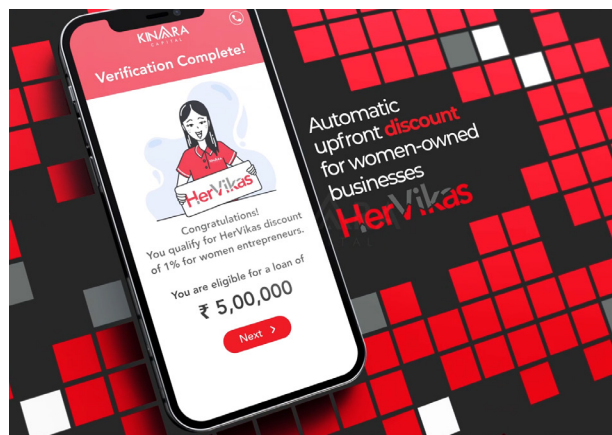
² IDR. Unlocking the Potential of Women-led MSMEs. India Development Review, August 23, 2022. Available at: <https://idronline.org/article/gender/unlocking-the-potential-of-women-led-msmes/>



lack. According to UN Women's Caring Societies, Inclusive and Green Economies in Asia and the Pacific report, about 70 per cent of Indian women do not own land, and nearly 60 per cent do not own a house.³

In addition, credit assessments often involve subjective judgements and gender bias, leading to prejudiced evaluations that label women-owned businesses as higher risk. As a result, women entrepreneurs frequently face higher borrowing costs, shorter loan tenors, longer approval wait times and fewer financing options, making it significantly harder for their businesses to grow and thrive.

To address these barriers, Kinara Capital launched HerVikas, a last-mile loan programme offering collateral-free financing (with 'Her' denoting women and 'Vikas' meaning progress in Hindi). Last-mile access bridges the gap between financial services and entrepreneurs, ensuring timely, efficient delivery of capital.



HerVikas was born out of the imperative to help women MSME entrepreneurs in India break free of the social and systemic biases that held them back and enable them with access to the much-needed capital through formal financing. We're proud that the programme has successfully empowered thousands of women entrepreneurs through collateral-free loans, bringing them into the ambit of financial inclusion and supporting their continued growth.

Hardika Shah,
Founder and CEO, Kinara Capital

Instead of relying on asset-based eligibility, Kinara uses a proprietary artificial intelligence and machine learning-powered credit decision model that evaluates a business's financial health, cash flow and performance. This fully automated system minimizes human bias in decision-making processes, enabling fair and efficient lending.

Innovation and accessibility at the heart of growth

The HerVikas programme stands out for its dual approach to accessibility, combining cutting-edge technology with high-touch, human-centred support. Designed to provide women entrepreneurs with catalytic capital to grow and flourish, the programme leverages the myKinara app, which enables entrepreneurs to apply for loans in their local languages while receiving end-to-end assistance from local field officers, though the entire process remains fully digital.

The app's built-in credit assessment model ensures fast, unbiased decision-making by focusing on core business and sector data, thus excluding gender, background or personal characteristics from the evaluation process. Unlike traditional systems, where human discretion may introduce bias, especially against women entrepreneurs, in this automated model loan decisions on amount, interest rate and tenor are entirely anchored on data. Gender is only identified after the applicant completes the eligibility check and submits Know Your Customer documentation.

3 IDR. Unlocking the Potential of Women-led MSMEs. India Development Review, August 23, 2022. Available at: <https://idronline.org/article/gender/unlocking-the-potential-of-women-led-msmes/>



Eligible women are then automatically classified under the HerVikas loan category, unlocking tailored benefits without compromising the objectivity of the assessment. This approach reduces the traditional month-long credit cycle to just 24 hours—from inquiry to disbursal—allowing MSMEs to access financing quickly, manage cash flow and pursue growth opportunities.

For those who prefer in-person assistance, Kinara’s locally employed field officers provide personalized support, guiding applicants through the loan process while building trust within the community. Post-disbursal, Kinara maintains an active relationship with borrowers, offering timely reminders and responsive support. This blend of digital innovation and human connection ensures a seamless, supportive financing journey for women entrepreneurs.

To further strengthen HerVikas, Kinara Capital has secured funds through gender-lens investing by impact investors, including Impact Investment Exchange’s (IIX) Women’s Livelihood Bond 3 and others. These investments expand programme reach and impact, enabling more women entrepreneurs to access critical capital.

Transforming lives and scaling impact

Since its launch in FY2019–20, the HerVikas programme has disbursed approximately INR 1,000 crore (US\$120 million) in collateral-free business loans, supporting over 10,000 women MSME entrepreneurs across more than 100 cities. This initiative has catalyzed local economies by supporting more than 46,000 jobs, including over 7,400 newly created positions. Of the jobs created by women customers, over 33 per cent went to other women.

In addition, participating MSMEs have reported a 13 per cent increase in net income and a 16 per cent rise in proprietor salary post-loan, demonstrating HerVikas’s tangible benefits for financial stability and quality of life.

To ensure continued impact, Kinara closely monitors key indicators. In addition to tracking the total volume of disbursed loans and the number of women entrepreneurs supported, the company conducts loan utilization checks to evaluate the effects of financing on business operations and growth.

Coinciding with HerVikas’s fifth anniversary in FY25, Kinara expanded programme benefits. Alongside an upfront discount, women entrepreneurs can now access additional advantages, including a 60-day repayment holiday, a 50 per cent discount on processing fees and lowered minimum operating history requirements.

Looking ahead, Kinara Capital plans to further scale up the HerVikas programme, empowering thousands more women MSME entrepreneurs to drive innovation, create jobs and contribute to India’s economic growth.

Women’s Empowerment Principles



High-Level Corporate Leadership



Treat all Women and Men Fairly at Work without Discrimination



Employee Health, Well-Being and Safety



Education and Training for Career Advancement



Enterprise Development, Supply Chain and Marketing Practices



Community Initiatives and Advocacy



Measurement and Reporting

asiapacificwepsawards.org
weps.org

@unwomenasia
#GenderActionLab #WEPsAwards

linkedin.com/showcase/wepprinciples

