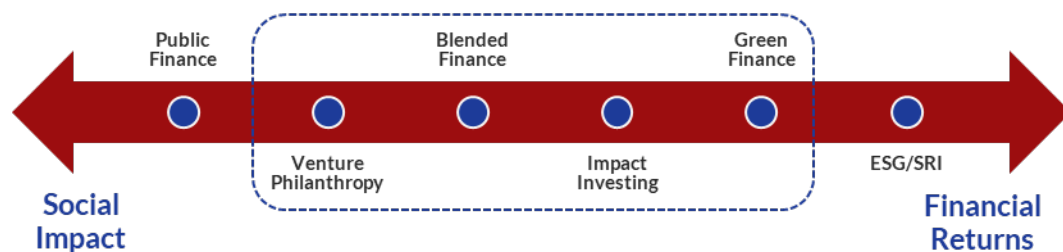


Ashoka University Course Outline – Introduction to Innovative Finance (Jan-Apr 2023)

Course Title: Intro to Innovative Finance (Impact Investing, ESG, Climate & Social Finance)

Faculty: Kartikeya N. Desai (Founder & CEO, Desai & Associates; Visiting Faculty, Ashoka)

Course Description: This course is designed to help students develop a strong foundational understanding of the key principles frameworks, tools and examples of innovative finance specific to its evolution in India and broader global context over the last 25 years. It will focus on Impact Investment but also cover other adjacent and overlapping segments of the Innovative Finance Capital Spectrum including ESG (Environmental, Social and Governance) Investing, Climate Finance and Blended/Social Finance, each comprising a distinct investment segment across the risk-return-impact spectrum. The course is designed for student with an interest in development economics, social entrepreneurship and capital markets, who want to apply their understanding of economics, finance and investing to create positive social and environmental impact through new business models and financing structures. It will provide a comprehensive overview of the innovative finance landscape and its evolution, through an analytical assessment of each segment on the capital spectrum, and evaluation of case studies of major impact investors and their use of different innovative finance instruments to help solve major development challenges in climate change, social inclusion and income creation. The overall objective of the course is to help students ‘think like an impact investor’ by understanding the key insights and lessons of thought leaders and pioneering funds who have helped define these new asset classes and helping to frame the key debates that continue to remain to enable the students to pursue further research and build careers in this field.



Course Format: 13 in person lectures (3 hours each) over 13 weeks; full credit course offered Jan-Apr 2023. Each class will comprise: (i) lecture on the core concepts and key issues, (ii) case study discussion on an innovative finance fund relevant to that week’s topic, and (iii) guest lecture and discussion with an industry expert / investor covered in the case studies.

Grading: 50% on class participation including Discussion Groups on the assigned readings and Class Polls and Debates; 50% on final project which will be an Investment Committee Memorandum and IC Presentation of an innovative finance fund designed by student teams.

Course Outline: The 13 modules of the course will be organised into 5 Conceptual Modules on the core foundational issues across all of innovative finance and 8 Investment Modules on each segment of the capital spectrum. Each module will have a Case Study discussion on an impact funder and its impact thesis, investment strategy, fund structure, with the overall goal being for students to be able to comparatively assess different impact investment, climate, ESG and blended finance funds and design their own impact finance fund and strategies.

Conceptual Modules

No.	Topic	Case Study
1	Impact Innovation and Innovative Finance Spectrum	Omidyar Network
2	Impact Measurement – People Planet Purpose	Acumen, CBI
3	Investor Ecosystem and Regulation	SSE, IIC
4	Fund Economics & Strategy – Thinking Like an Investor	Aavishkaar
5	Sector Spotlight – Agriculture, Climate Tech, Financials	Omnivore, Lok

Investment Modules

No.	Topic	Case Study
1	Impact Investment (Venture Capital/Private Equity)	Asha Impact
2	Microfinance, SME Finance & Venture Debt	GII, UCIC, Kinara
3	ESG & Sustainable Finance / CSR	HDFC, TCS
4	Climate Finance & Climate-Tech Investing	CBI, JSW Steel
5	Blended Finance – Results-based Financing	EG/QEI/Skills India
6	Blended Finance – NBFCs and Concessional Capital	Samunnati/Caspian
7	Venture Philanthropy & Public Finance	Edelgive/Dasra

The final session will be dedicated to student presentations to the investment committee.

Learning Outcomes:

This is a multi-disciplinary course especially relevant to students of Economics, Finance, Entrepreneurship, Environmental or Development Studies. It will enable students to:

1. Understand the major concepts and tools/structures of innovative finance including impact investment, blended finance, ESG, climate finance and relate these to economic principles.
2. Improve their ability to critically evaluate a financial investment intended to make a social and/or environmental impact and financing structures/funds across the capital spectrum.
3. Develop a robust understanding of the Indian innovative finance ecosystem through case studies of leading impact investors and guest lectures with industry leaders and experts.

Faculty Bio: Considered a pioneer of impact investment and social finance in India, Kartik is a researcher, consultant and investor who has worked with several leading innovative finance funders and founders over a 20 year career in investment banking, social entrepreneurship, impact investment, policy advisory, institutions including Asha Impact, Aavishkaar, Lok Capital, KOIS, Merrill Lynch, UNDP and the Rockefeller Foundation. Kartik is Founder & CEO of Desai & Associates, a firm providing thought leadership on development economics and innovative finance, facilitating impact investments and philanthropy in frontier markets in Asia and advising founders, funders and policymakers on strategic solutions in climate change, livelihoods and inclusion. He has served as three time board member of the Impact Investors Council and several leading social enterprises. Kartik holds a Bachelor of Science in Economics from the Wharton School, University of Pennsylvania and Masters in International Finance and Business from the School of International and Public Affairs at Columbia University.