

The Great 'Un-Lockdown': Indian EdTech

Disruptions and opportunities for the next decade

16th December 2020



Future of EdTech in India: Digital education's next frontiers

Wednesday, 16th December, 2020 | 2:00 - 2:45 PM IST

Panelists



Sandeep Singhal

Managing Director,
Nexus Venture Partners



Madhur Singhal

Managing Director,
Praxis Global Alliance



Hari Krishnan Nair

Co-Founder,
Great Learning



Charu Noheria

Co-Founder & COO,
Practically



Vishal Krishna

Business Journalist,
Yourstory

Moderator

Foreword

Education is one of the primary sectors under focus by the Government of India. India currently has 360M learners across age groups, which is expected to grow further with an increase in school and college enrolments. The sector has witnessed growing attention from Government with budgetary allocation increasing from US\$ 11.3B in 2018-19 to US\$ 13.2B in 2020-21.

The education sector in India is quite fragmented with various players across segments. The past few years have witnessed the emergence of the EdTech sector with supplementary learning opportunities for students and working professionals. The growth of the EdTech sector has coincided with increased internet penetration in the country, particularly in Tier 3/4 cities and villages. The sector has also seen increased investor activity due to the tremendous growth potential of the EdTech players in India. Segments such as online tutoring and competitive exam preparation have witnessed an increase in investments by PE and VC players in the past few years.

Lockdown imposed due to the spread of COVID-19 has increased the demand for EdTech products in India manifold. In response to the growing demand, EdTech players have scaled up their offerings and new players with innovative business models catering to

unserved segments have emerged post-COVID. Also, the recently introduced National Education Policy 2020 is expected to give a fillip to EdTech (both, in the classroom and outside the classroom) due to increased focus on concept-based learning for students.

This report is intended to provide various industry stakeholders, including business leaders, an overall perspective on the funding trends in key EdTech segments and the emergence of innovative business models within the EdTech sector in India and globally. We have also discussed how various Indian EdTech players have grown in terms of user base and revenue in the past few years and their impact on the Indian education sector as a whole.

We, at PGA Labs, look forward to continuing the discussion with different stakeholders within the education sector and sharing our perspective on the evolving trends in the EdTech space.



Madhur Singhal

*MD, Practice Director, Education
Employability and Entrepreneurship*



Aryaman Tandon

*Practice Director,
Technology and Internet*

Agenda

Education in India: An overview

Investment activity across EdTech sub-segments

Next wave of value creation

Appendix: Leading startups driving innovation in EdTech

Key takeaways

1 Education is a US\$ 117B market in India with 360M learners in FY20

- US\$ 49B is spent on school Education, of which primary Education comprises 66% of the spend, followed by secondary Education at 27%
- US\$ 42B is spent on supplementary Education, which primarily comprises private coaching and test preparation
- Education and EdTech market can be divided into 5 segments: Pre-K, K-12 and Test preparation, Higher Education, Continued learning and B2B EdTech

2 Education market is expected to grow 2x to US\$ 225B by FY25 @ CAGR 14% over FY20-25

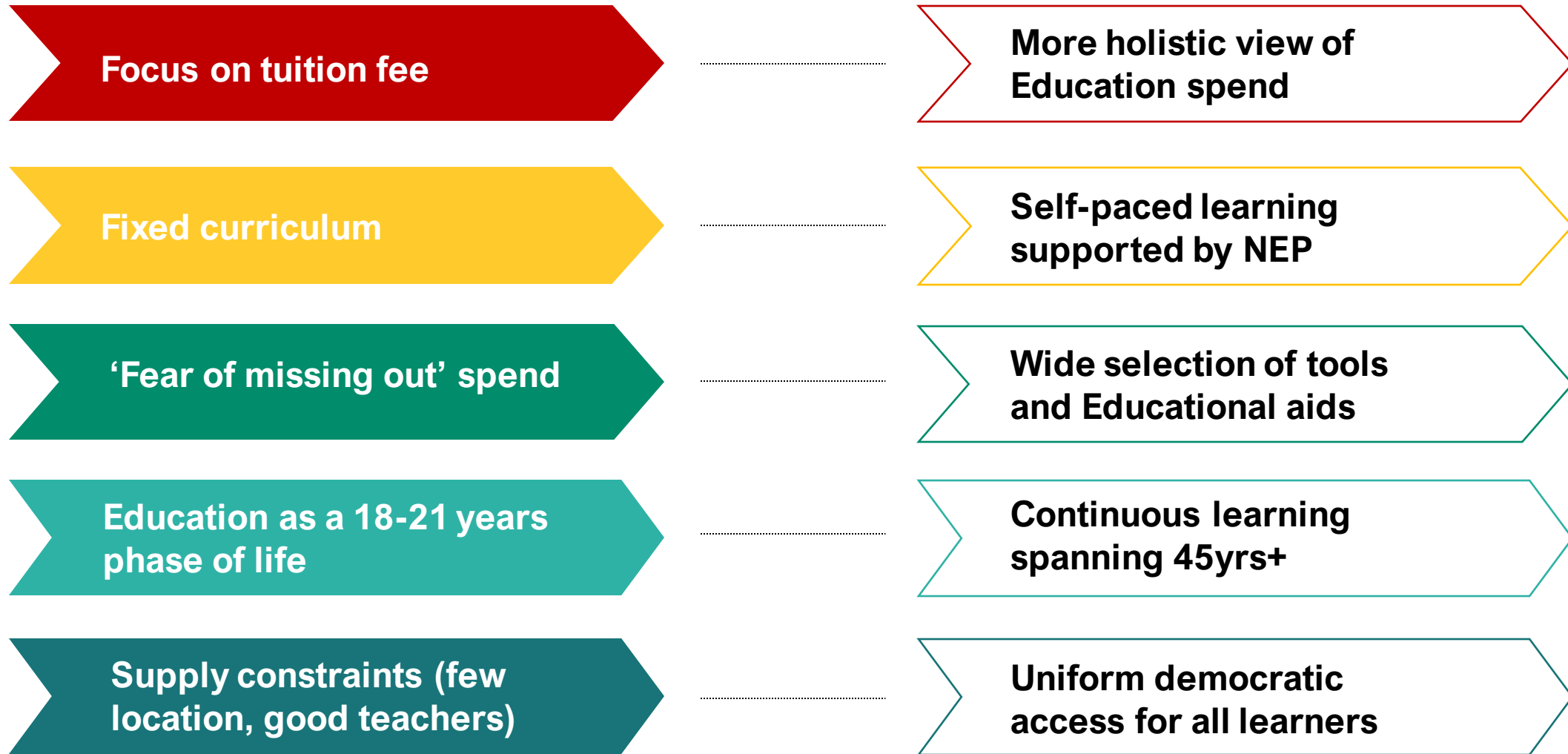
3 Indian EdTech startups received a total investment of US\$ 2.22B in 2020 alone, compared to US\$ 553M in 2019

- 92 players received funding in 2020, out of which 61 players received seed funding
- BYJU'S and Unacademy raised the most capital, US\$ 1.35B and US\$ 264M respectively, as of December 2020
- B2B EdTech has received a total funding of US\$ 31M in 2017-2020

4 Beyond the rapidly scaling K-12 and Test prep segments, we have identified ten upcoming trends:

- Tutoring/Test preparation 2.0 (On-demand and vernacular learning): Platforms providing on-demand learning/platforms providing vernacular Educational resources
- Digitization in Educational institutions (B2B – EdTech SaaS): Automation, ERP and LMS solutions for Educational institutions
- Digital learning enablement (B2B): Digital platforms providing schools and tutors facility of connecting with students online
- Fintech in Education: Platforms providing student loans and loan refinancing options
- Student housing: Platforms providing student accommodation services
- Education with employment/continuous learning: Platforms providing training and recruitment options
- Admission support and counselling: Platforms providing counselling and admission support for higher Education
- AR/VR in Education: Simulated learning experience for students and employees
- Online STEM learning: Platforms providing STEM courses for students
- Extra-curricular learning: Platforms imparting vocational skill training including music, dancing, cooking, etc.

Five consumer megatrends re-shaping Education and EdTech



Top ideas for the future: Next wave of EdTech in India

1 Tutoring/Test preparation 2.0

- Platforms providing on-demand learning/coaching from experts
- Apps/websites providing Educational resources in vernacular languages

Illustrative companies



2 Digitization in Educational institutions (B2B)

- Automation, ERP and LMS solutions for administrative operations, attendance, fee collection and other tasks
- Exam proctoring solutions for schools/institutions



3 Digital learning enablement (B2B)

- Digital platforms providing schools and tutors facility of connecting with students online



4 Fintech in Education

- Platforms providing students loans and loan refinancing options



5 Student housing

- Platforms providing student accommodation services
- New housing opportunities as foreign universities set up campuses in India



6 Education with employment /Continuous learning

- Platforms providing industry-oriented courses which help in improving the employability of job-seekers
- Platforms providing gig workers training/skilling and recruitment options

Illustrative companies



7 Admission support and counselling

- Platforms to search for universities and courses online before choosing the correct option



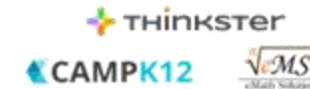
8 AR/VR in Education

- Use of immersive tools for training with real world like experience on digital platforms
- Platforms providing AR/VR based immersive learning for students



9 Online STEM learning

- Platforms providing STEM courses including coding & mathematics learning tools for students

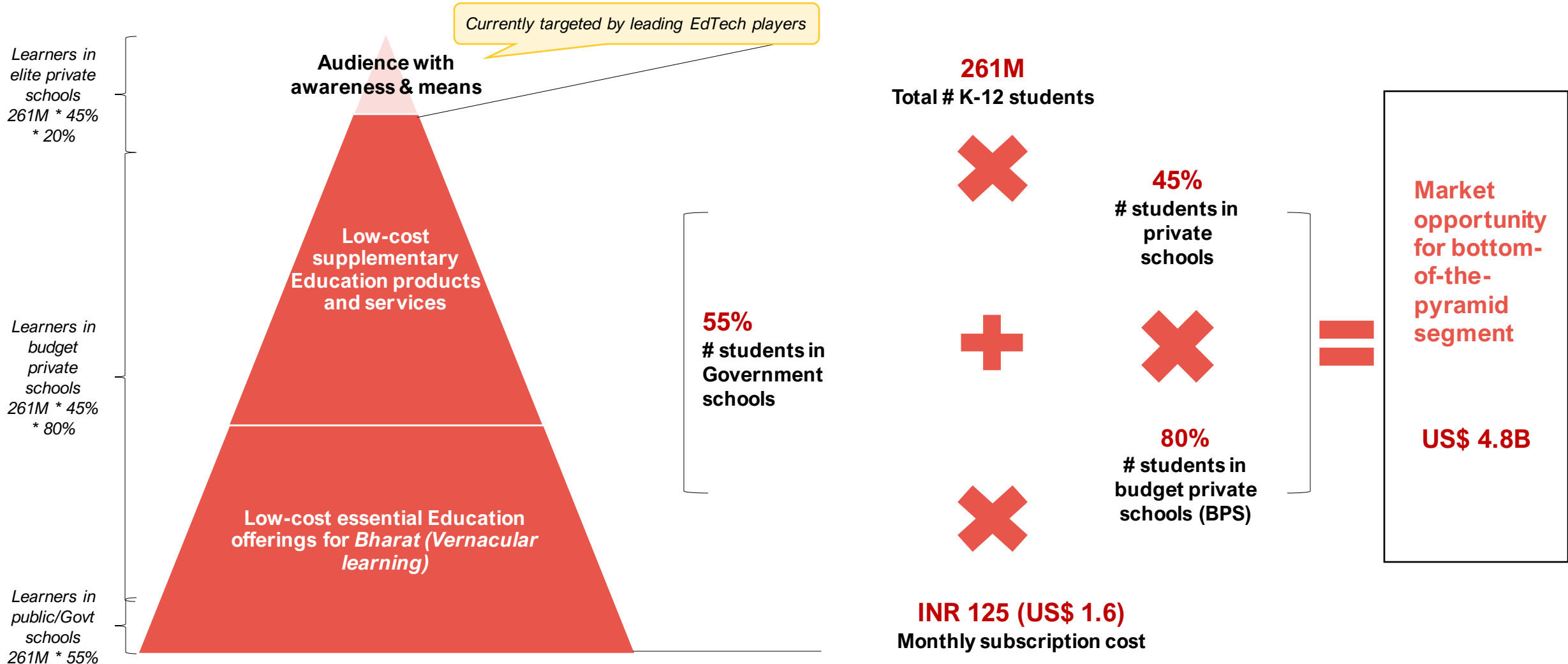


10 Extra-curricular learning

- Platforms imparting vocational skill training including singing, dancing, painting, mental math, public speaking etc.

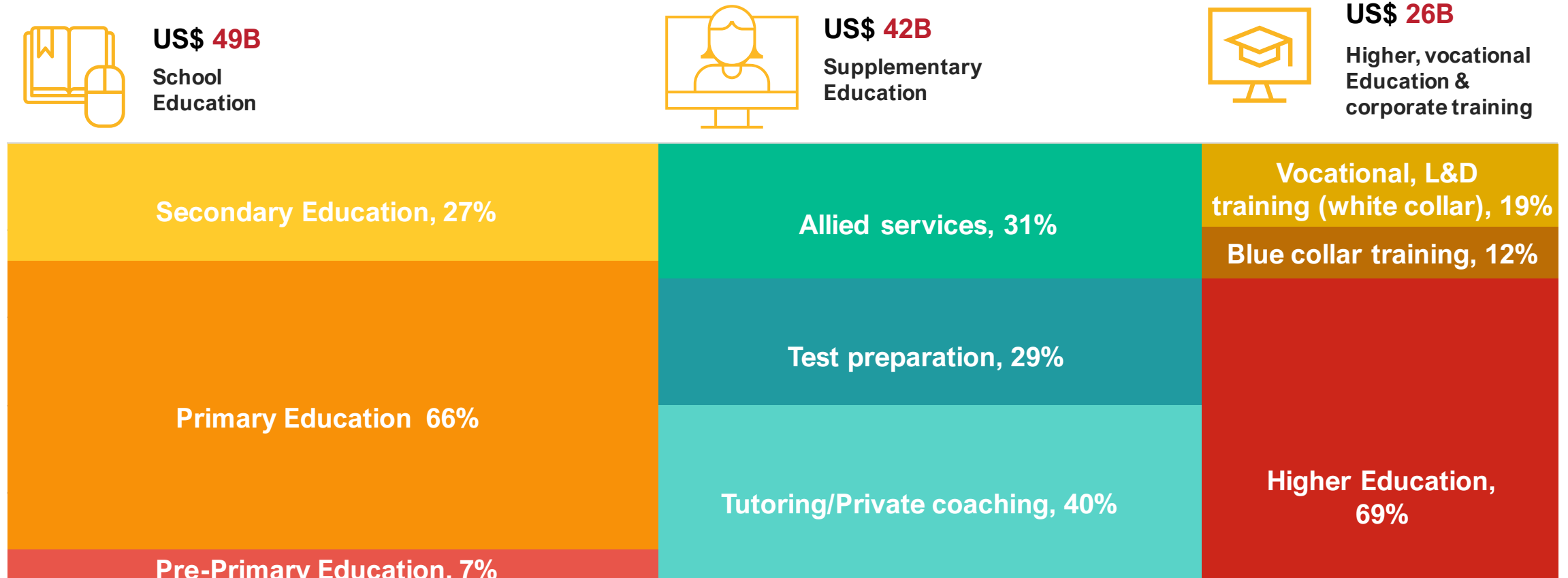


Bottom-of-the-pyramid segment holds an untapped US\$ 4.8B potential for low-cost EdTech products & services



Total Education spend in India is US\$ 117B in FY20

FY20 market size of different Educational sectors in India (US\$ B)



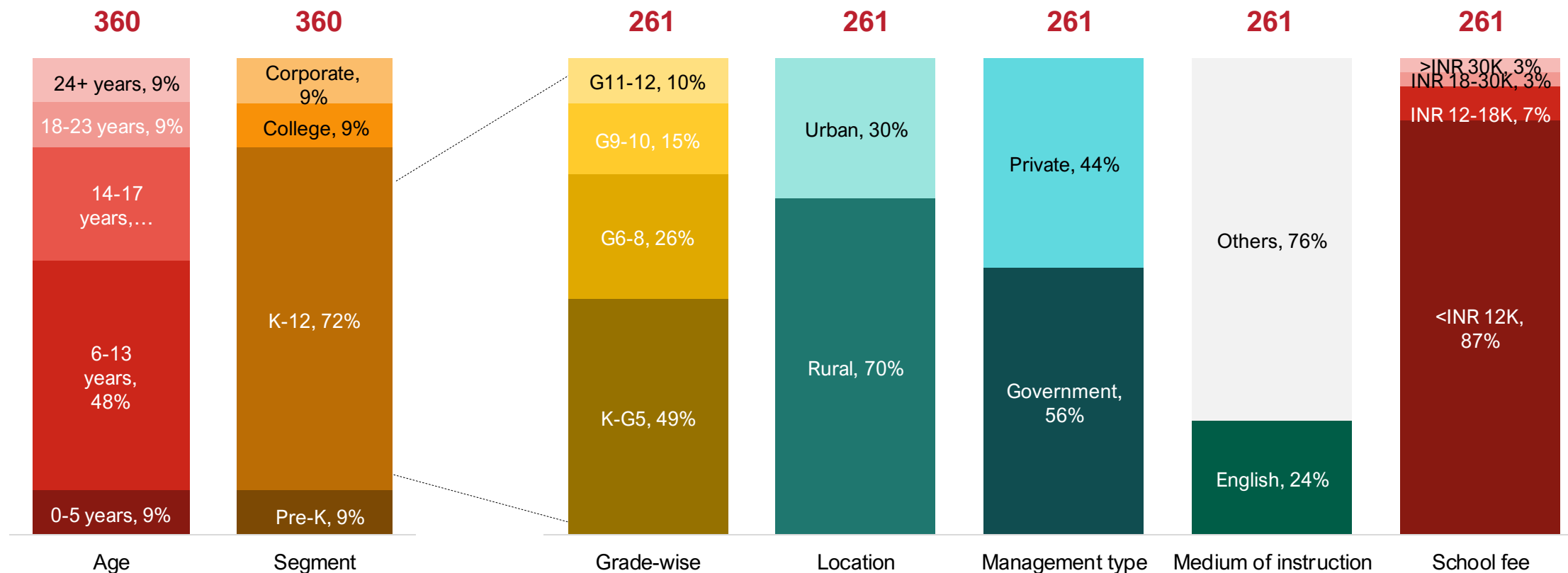
Total spend in Education industry = US\$ 117B

Note(s): Pre-primary Education only includes Top-50 cities, Allied services includes Educational resources, uniforms, stationary, facilities management, out of school learning, etc.; Corporate learners does not include blue collar workers (~200M blue collar learner workforce)
Source(s) : AISHE, MHRD, IBEF, India skills report, PGA Labs analysis

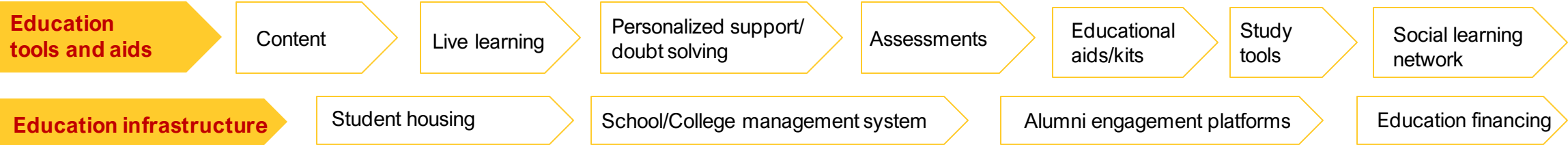
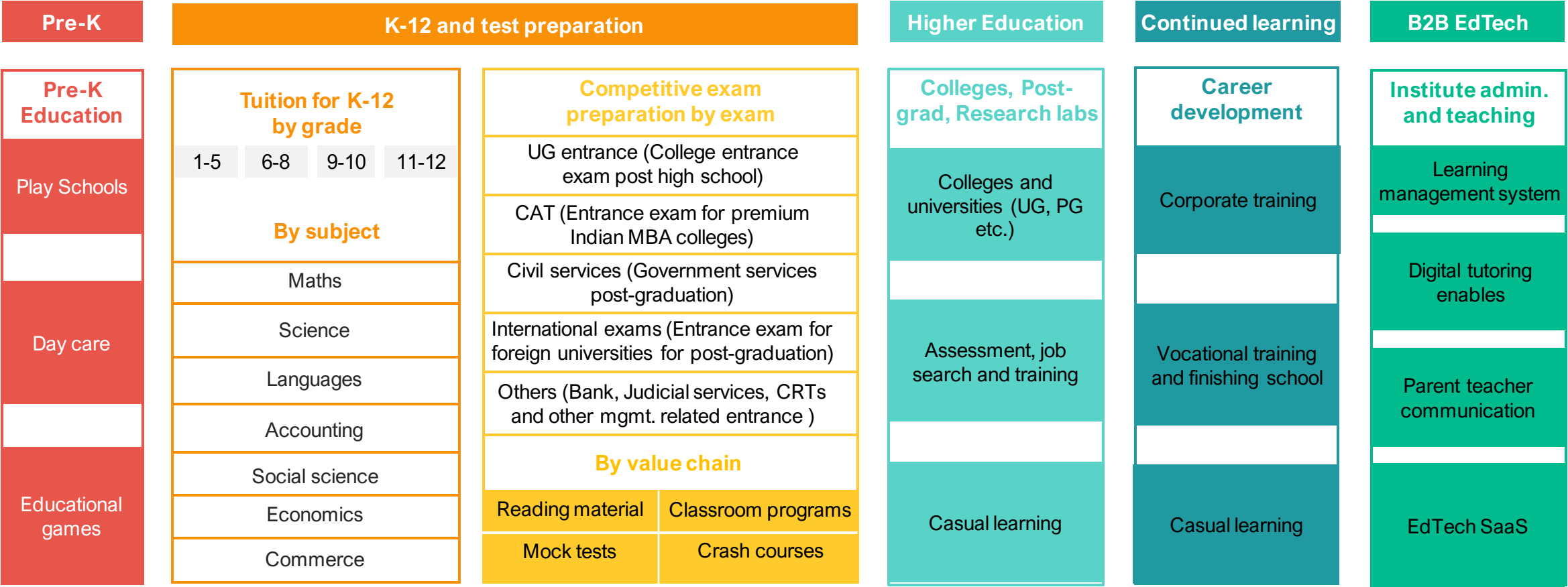
India is one of the largest market for Education with 360M learners in FY20

Total universe of learners in India (FY20)

K-12 learner universe in India (FY20)



Education and EdTech landscape in India



Education landscape

[1/2]

Pre-K

Play Schools



Day Care



Language classes



Story Reading & Listening



Educational Games/Kits



Outdoor learning Activities



K-12

Physical schools



Online schools



Multibhashi



Blackboard Radio

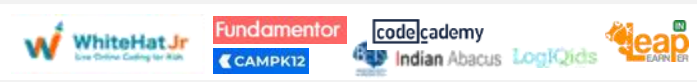


Fundamentor

Supplementary Education



Out of school learning



Assessment



Test preparation



Career guidance



Gamified learning



Sports and extra-curricular



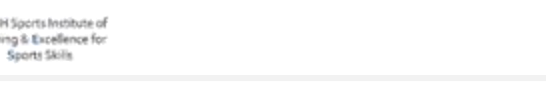
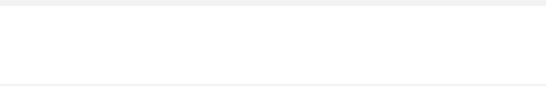
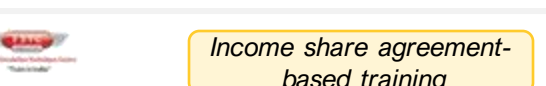
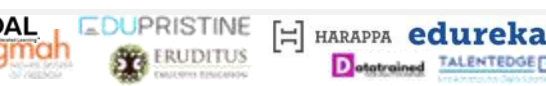
Education landscape

[2/2]

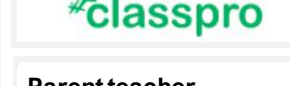
Higher Education



Continued learning



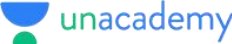








B2B EdTech



Note(s): * refers to indirect spends in the overall Education sector spend
Source(s): Company websites, PGA Labs analysis

India is home to some of the largest EdTech companies with a global marquee investor base






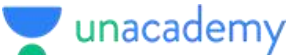
Product/service	Player	Description	Key metrics	Total funding*
K-12 online tutoring: Self-paced	 BYJU'S The Learning App	K-12, live lectures and test preparation platform	• # registered users: 64M	US\$ 2,320M
	 toppr	Provider of e-learning and test preparation platform	• # registered users: 13M	US\$ 107M
Competitive exam preparation platform	 unacademy	Platform for exam preparation	• # registered users: 30M • # teachers: 10K+	US\$ 354M
K-12 online tutoring: Instructor-led	 Vedantu	Provider of online instructor led live personalized tutoring	• # registered users: 25M • # teachers: 500+	US\$ 206M
Smart school enabling system	 LEAD SCHOOL Assured, Excellent Learning For Every Child	Academic content learning provider for schools	• # partner schools: 800+ • # teachers covered: 10K+	US\$ 39.4M
Math tuition platform for freelance teachers	 cuemath	Connecting students with certified Math tutors through live classes	• # enrolled students: 50K • # teachers: 3K+	US\$ 67.2M
Digital tutoring enabler for teachers/institutes	 Classplus	Provider of tuition class management software	• # registered teachers: 20K	US\$ 23.3M
Gamified learning	 Practically	Immersive learning experience using AR/VR	• # registered users: 0.15M (2018)	US\$ 9M
Higher Education courses	 upGrad	Online higher Education programs for working professionals	• # registered users: 0.5M • # partner colleges: 100+	US\$ 6.9M

Note(s): *Figures till 10th December 2020

Source(s): PGA Labs deal database, Company websites, PGA Labs analysis








Indian EdTech players are going beyond India and becoming relevant globally

[2/1]

International launch	Player	Markets	Offerings	Comments
2020		MEA	Gamified learning through AR/VR	<ul style="list-style-type: none"> Have onboarded GEMS as one of their marquee clients in MEA Further plans to expand in USA and Africa
2020		USA & Canada	Coding classes for students aged 6-16	<ul style="list-style-type: none"> Expected to launch shortly in the UK & ANZ regions
2019		USA	AI robot for kids	<ul style="list-style-type: none"> Offers an AI based companion robots to support kids learning and development needs Plans to expand into elder care in the future
2019		USA, Singapore & UAE	Coding classes for students aged 6-18	<ul style="list-style-type: none"> Further planning to expand into other foreign markets after seed funding round
2019		USA, Asia-Pacific & MEA	Executive Education	<ul style="list-style-type: none"> Acquired US based GreyCampus for ~US\$ 15M in 2019 to inorganically expand into foreign markets
2018		Indonesia	Test preparation	<ul style="list-style-type: none"> Offers college entrance exam Ujian Tulis Berbasis Komputer (UTBK) in Indonesia

Indian EdTech players are going beyond India and becoming relevant globally

[2/2]

International launch	Player	Markets	Offerings	Comments
2017		MEA & SEA	Pre-K learning	<ul style="list-style-type: none"> Foreign markets include Malaysia, Singapore, Qatar, UAE, Laos, Indonesia & Kuwait
2017		USA, Canada, EU, MEA, Japan	Gamified STEM learning	<ul style="list-style-type: none"> Retail presence in over 15 countries including UK, Germany, Poland, UAE, etc. Plans to expand to over more than 30 countries in 2020
2016		USA, UK, Canada, SEA, UAE	K-12 math curriculum	<ul style="list-style-type: none"> Available in India and 15 other countries
2016		USA, Hong Kong, China, Malaysia & Kenya	B2B online video platform	<ul style="list-style-type: none"> Aiming to expand further into other markets within SEA region
2016		US, UK, Australia & MEA	K-12 and test preparation	<ul style="list-style-type: none"> Targeting Indian diaspora across global locations Plans to expand deeper into US, UK, Australia, etc. with local content
2013		USA, Brazil, Europe, UAE, China & SEA	Executive Education	<ul style="list-style-type: none"> Plans to more aggressively expand its reach in China & Latin America and gain larger market share Plans to introduce courses on AI/ML
2010		USA, Africa, MEA & SEA	K-12 and test preparation	<ul style="list-style-type: none"> Other countries include South Africa, Ghana, Singapore, Indonesia, Kuwait, UAE, etc. Offers local test preparation coaching in some regions

Agenda

Education in India: An overview

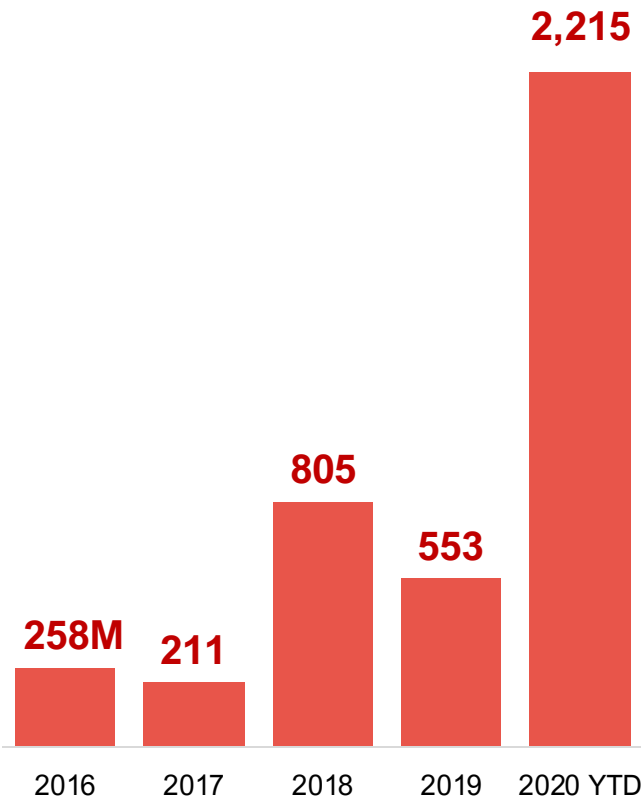
Investment activity across EdTech sub-segments

Next wave of value creation

Appendix: Leading startups driving innovation in EdTech

Indian EdTech has raised US\$ 4B in the last five years
















Total funding in EdTech in India (US\$ M)



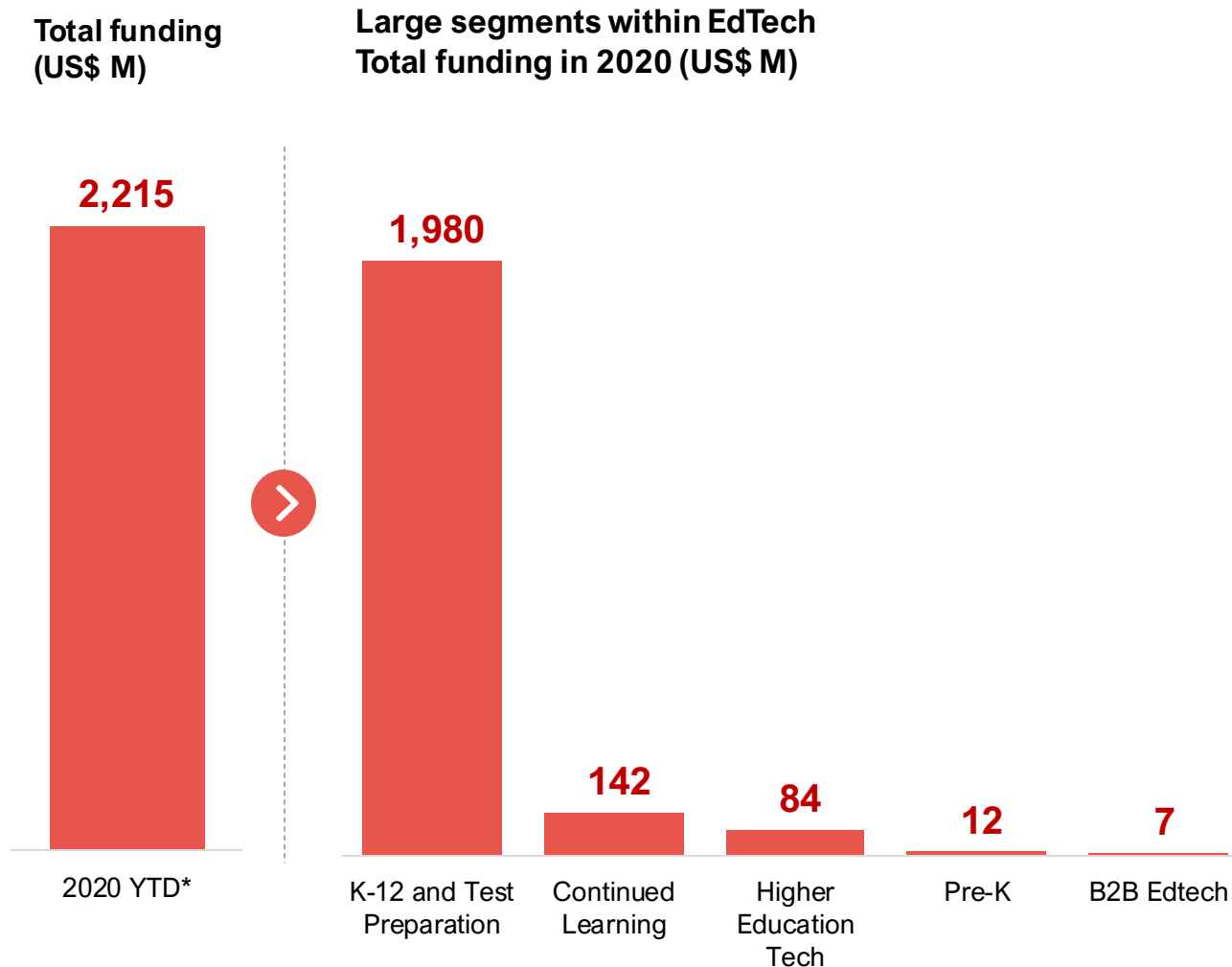
Note(s): All metrics of 10 December 2020, *estimated

Source(s): PGA Labs deal database, Company websites, PGA Labs analysis

15 most funded EdTech startups in India

Player	Launch	Offerings	Funding round	Latest funding	Total funding	Latest valuation (US\$ M)
 BYJU'S The Learning App	2011	<ul style="list-style-type: none"> K-12 subject preparation Competitive exam preparation 	Series H	US\$ 200M	US\$ 2.32B	US\$ 12B (2020)
 unacademy	2015	<ul style="list-style-type: none"> Live coaching across 60+ exam categories 	Series F	US\$ 154M	US\$ 354M	US\$ 2B (2020)
 Vedantu	2014	<ul style="list-style-type: none"> Live classes for K5-12 JEE/NEET preparation 	Series D	US\$ 100M	US\$ 206M	US\$ 575M (2020)
 ERUDITUS Executive Education	2015	<ul style="list-style-type: none"> Executive Education programs 	Series D	US\$ 113M	US\$ 161M	US\$ 700M (2020)
 toppr	2013	<ul style="list-style-type: none"> Live classes for K5-12 JEE/NEET preparation 	Series D	US\$ 46.9M	US\$ 107M	US\$ 250-350M* (2020)
 Next Education Transforming Education	2007	<ul style="list-style-type: none"> Comprehensive school management services 	Seed	US\$ 16.9M	US\$ 68.9M	US\$ 150-250* (2020)
 cuemath	2011	<ul style="list-style-type: none"> Provides live tutoring & online classes for school students 	Series C	US\$ 40M	US\$ 67.2M	US\$ 150-250* (2020)
 VARSITY	2011	<ul style="list-style-type: none"> Comprehensive teaching course for K5-12 	Series B	US\$ 4.3M	US\$ 61.6M	US\$ 225M (2013)
 AUXILO The Education Super	2017	<ul style="list-style-type: none"> Education loan facility 	Series B	US\$ 8.7M	US\$ 50.8M	US\$ 80M (2020)
 LEAD SCHOOL Assured, Excellent Learning For Every Child	2012	<ul style="list-style-type: none"> Academic content learning provider for schools 	Series C	US\$ 28M	US\$ 39.4M	US\$ 175M (2020)
 simplilearn	2009	<ul style="list-style-type: none"> Online portal for professional certification programs 	Series C	US\$ 5.91M	US\$ 33.9M	US\$ 85M (2016)
 EduFun PLAY TO LEARN	2014	<ul style="list-style-type: none"> Gamification based learning platform 	Series B	US\$ 28.5M	US\$ 28.5M	US\$ 50-100M* (2020)
 Extramarks Education Made Easy & Effective	2007	<ul style="list-style-type: none"> Live classes for K-12 JEE/NEET preparation 	Series C	US\$ 15.9M	US\$ 28.3M	US\$ 70M (2011)
 NURTURE Education Solutions TOMORROW'S HERE	2005	<ul style="list-style-type: none"> Comprehensive campus management services such as content development, student acquisition etc. 	Series C	US\$ 1.3M	US\$ 27.6M	US\$ 60M (2019)
 E1 educational initiatives	2001	<ul style="list-style-type: none"> Adaptive learning programs and assessment for school students 	Series A	US\$ 25.1M	US\$ 25.9M	US\$ 40M (2019)

Startup and investment activity in 2020 across top 5 segments



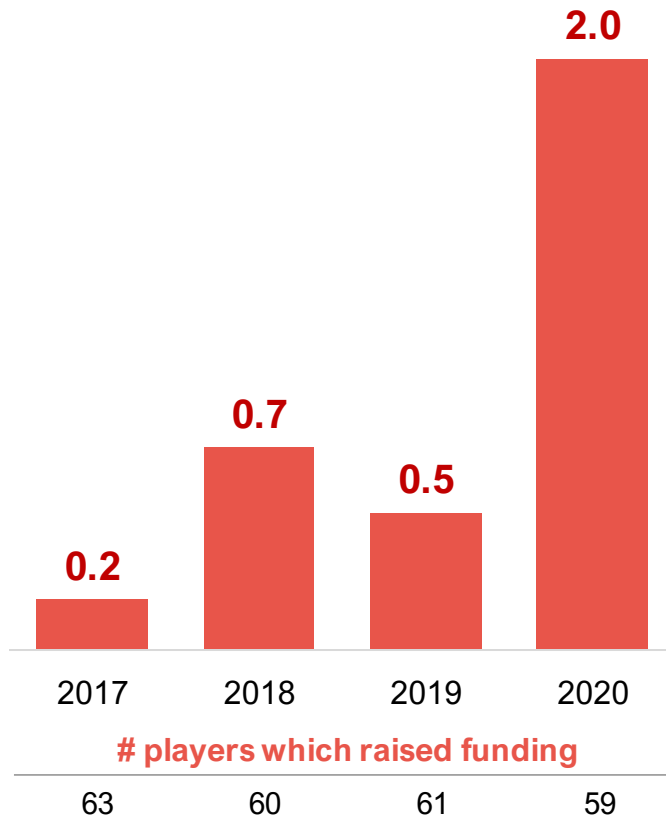
EdTech segment	Key Indian players	Key investors
K-12 and Test Preparation		
Continued Learning		
Higher Education Tech		
Pre-K		
B2B EdTech		

Note(s): Total funding is not equal to sum of individual components as a few companies are counted in multiple segments; Test preparation includes K-12 teaching for kids along with competitive exam preparation; Continued learning includes online courses and learning resources for professional learning, skill development and casual learning; *Data till 10th December 2020
Source(s): PGA Labs deal database, PGA Labs analysis

K-12 and Test preparation: Segment has received US\$ 2B funding in CY20; Self-paced and instructor-led are the key business models

K-12 & Test preparation has received US\$ 2B funding in CY20

Total funding (US\$ B)



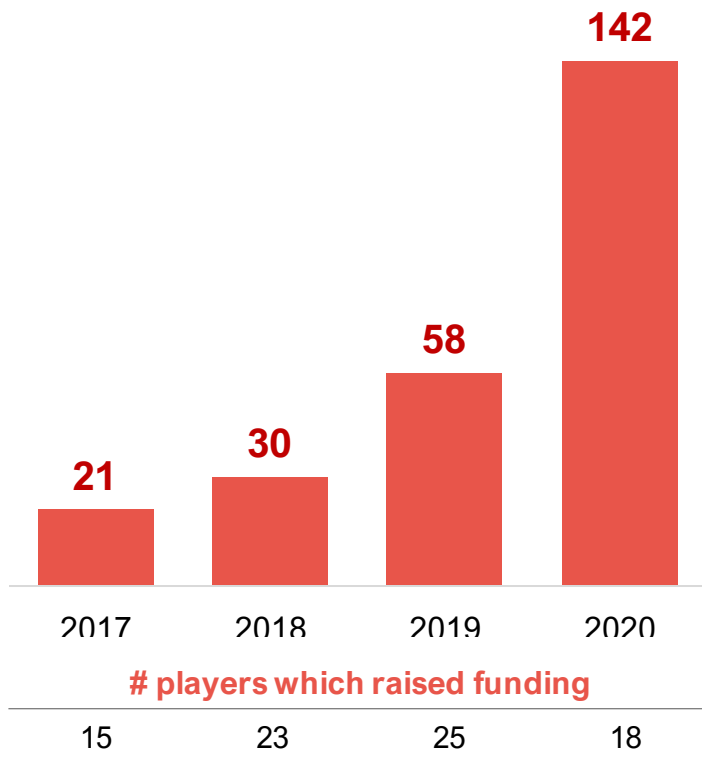
Segment landscape	
Segment	Key players
Indian players	
Global leaders	
Key investors	

Key business models			
Business model	Players	Total funding (US\$ M)	Key investors
Self-paced: Pre-recorded classes		2,320	
		107	
		28.3	
		15.6	
		13.1	
		11.7	
Instructor-led: Live classes taken by tutors		354	
		206	
		16.9	
		3.6	
Information portals		2.7	
		12	
		7	

Continued learning: Segment has received US\$ 142M funding in CY20; Multi-disciplinary, IT and management courses are the key business models

Continued learning segment has received US\$ 142M funding in CY20

Total funding (US\$ M)



Source(s): PGA Labs deal database, PGA Labs analysis

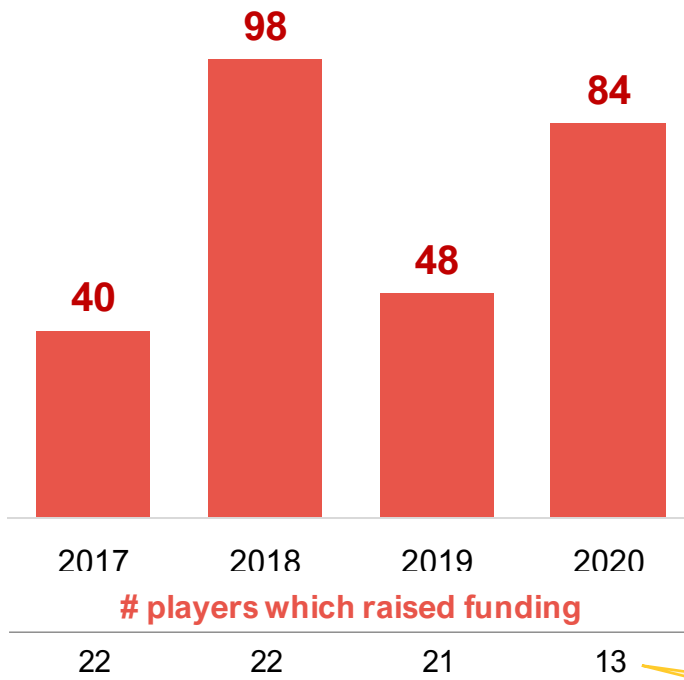
Segment landscape	
Segment	Key players
Indian players	
Global leaders	
Key investors	

Key business models			
Business model	Players	Total funding (US\$ M)	Key investors
Multidisciplinary courses		161	
		11.2	
		7.8	
		3.7	
		2	
IT-related courses		6.1	
		3.3	
Management courses		5.2	
		0.9	
		0.3	

Higher Education tech: Segment has received US\$ 84M funding in CY20

Higher Education segment has received US\$ 84M funding in CY20

Total funding (US\$ M)



Increase in funding raised per player in 2020

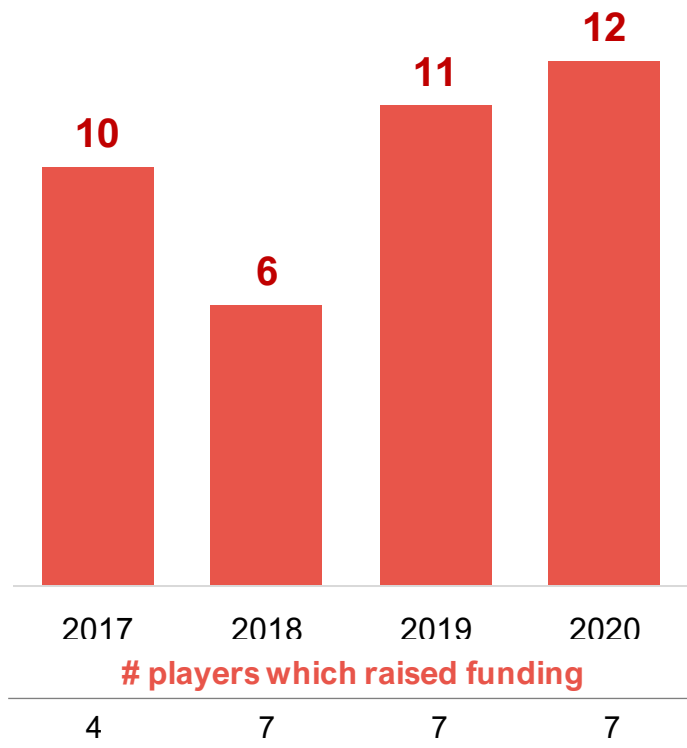
Segment landscape	
Segment	Key players
Indian players	
Global leaders	
Key investors	

Key business models			
Business model	Players	Total funding (US\$ M)	Key investors
Education focused financial players		50.8	
		2.8	
Online higher Education courses		27.6	
		5.9	Angel
College IT solutions		8.3	
		4.9	
		3.1	
		2.1	Angel
College listing		12	
		5.3	

Pre-K: Segment has received US\$ 12M funding in CY20; DIY Kits players have raised the highest funding

Pre-K segment has received
US\$ 12M funding in CY20

Total funding (US\$ M)



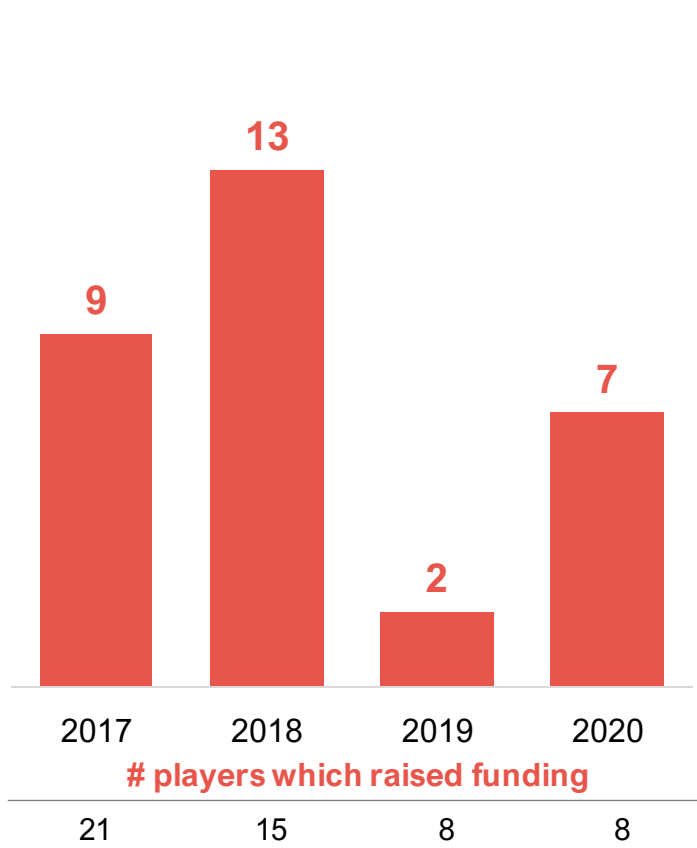
Segment landscape	
Segment	Key players
Indian players	
Global leaders	
Key investors	

Key business models			
Business model	Players	Total funding (US\$ M)	Key investors
DIY Kits: Interactive smart toys and learning kits	Flintobox	17.8	Lightbox Globevestor
	MAGIC CRATE	4.15	firesideventures aarin HOPPE CAPITAL
	KINSANE	3.75	rainshine
	WhizKidz MEDIA	N/A	Lead Angels ah! ventures
Digital storybooks: Interactive story-telling apps	KUTUKY	0.23	AngelList Better
Language learning: Learning games for English	OckyPocky	0.73	Lead Angels SUCSEED
	LaTTu KIDS	N/A	Mumbai Angels Network

B2B EdTech: Segment has received a total funding of US\$ 7M in CY20

B2B segment has received US\$ 7M funding in CY20

Total funding (US\$ M)



Segment landscape	
Segment	Key players
Indian players	
Global leaders	
Key investors	

Key business models			
Business model	Players	Total funding (US\$ M)	Key investors
Education management solutions for schools/colleges	classteacher learning systems	15.0	8 th EIGHT ROADS [®]
	Schoolguru	8.3	108 CIPHER-PLEXUS CAPITAL PARTNERS N-SQUARED GROWTH CAPITAL
	NoPaperForms	4.9	infoedge
	WizIQ	4.0	INVICTUS CAPITAL PARTNERS BII Bertelsmann India Investments
	IGNITOR	3.6	papilloncapital
	rubix108	2.2	POLARIS GLOBAL VALUE FUND
Testing & assessment	merit trac	7.7	Angel
	MindlogicX ARCHITECTING THE FUTURE	7.7	peruvamba investments limited KALPATHI INVESTMENTS
	LittleMORE INNOVATION LABS	3.1	Kalpavriksh Fund
	TalentBridge Harnessing Minds. Transforming Society.	1.9	RB
	EXCELISOFT	0.9	AROHI ASSET MANAGEMENT UTI Venture
Employee LMS	HANDY TRAIN	2.1	INNOVATION LABS THE PLATINUM GROUP

Agenda

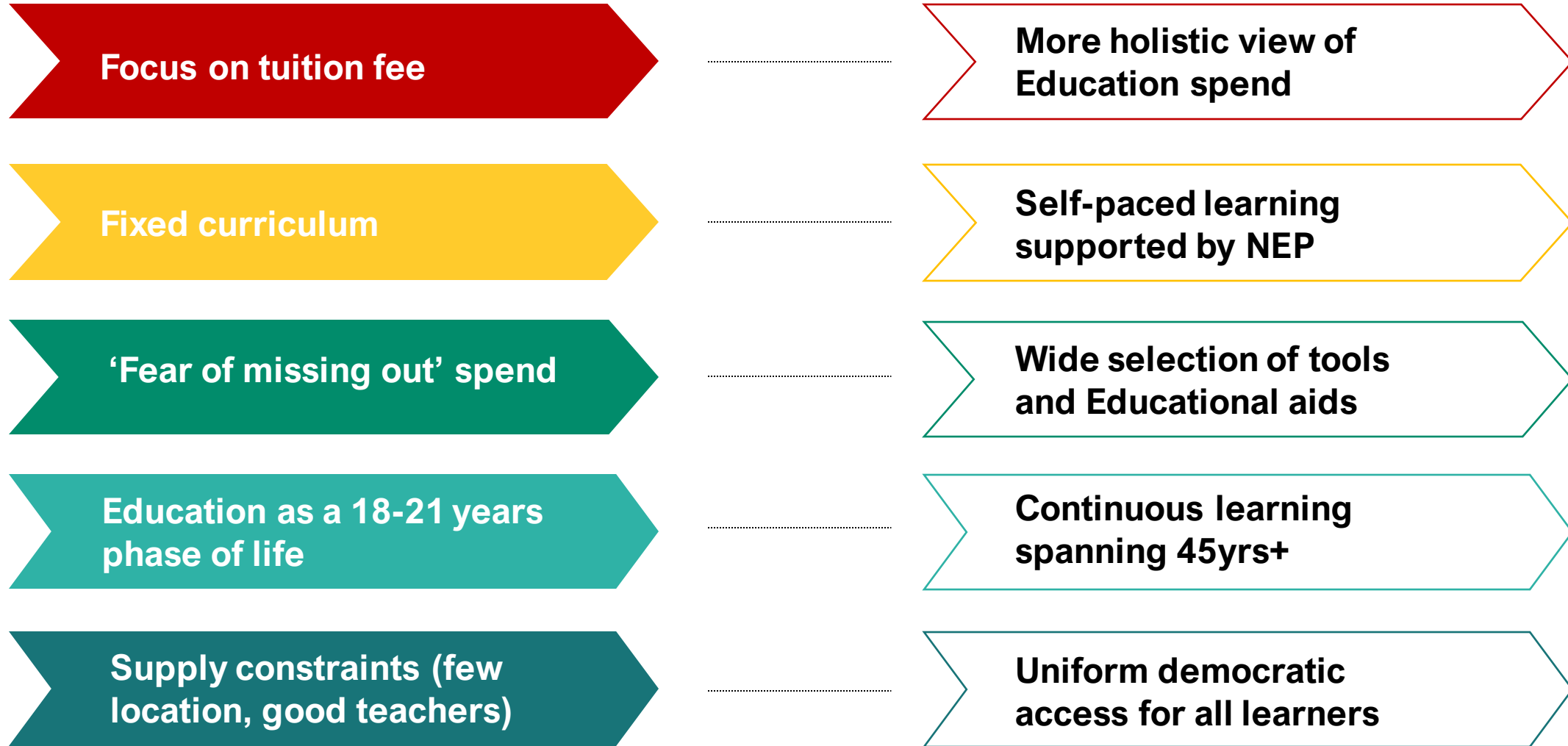
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Investment activity across EdTech sub-segments

Next wave of value creation

Appendix: Leading startups driving innovation in EdTech

Five consumer megatrends re-shaping Education and EdTech



Top ideas for the future: Next wave of EdTech in India

1 Tutoring/Test preparation 2.0

- Platforms providing on-demand learning/coaching from experts
- Apps/websites providing Educational resources in vernacular languages

Illustrative companies



2 Digitization in Educational institutions (B2B)

- Automation, ERP and LMS solutions for administrative operations, attendance, fee collection and other tasks
- Exam proctoring solutions for schools/institutions



3 Digital learning enablement (B2B)

- Digital platforms providing schools and tutors facility of connecting with students online



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- Platforms providing students loans and loan refinancing options



5 Student housing

- Platforms providing student accommodation services
- New housing opportunities as foreign universities set up campuses in India



6 Education with employment /Continuous learning

- Platforms providing industry-oriented courses which help in improving the employability of job-seekers
- Platforms providing gig workers training/skilling and recruitment options

Illustrative companies



7 Admission support and counselling

- Platforms to search for universities and courses online before choosing the correct option



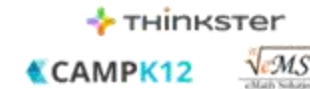
8 AR/VR in Education

- Use of immersive tools for training with real world like experience on digital platforms
- Platforms providing AR/VR based immersive learning for students



9 Online STEM learning

- Platforms providing STEM courses including coding & mathematics learning tools for students






10 Extra-curricular learning

- Platforms imparting vocational skill training including singing, dancing, painting, mental math, public speaking etc.







Tutoring/Test preparation 2.0 (On-demand and vernacular learning): Platforms providing on-demand learning/coaching and solutions in vernacular languages

Description of archetype


Tutoring/Test preparation 2.0: Platforms providing on-demand learning/coaching solutions	<ul style="list-style-type: none"> Platforms providing on-demand learning from experts Platforms for student-tutor matching Teaching, test preparation and doubt solving in vernacular languages
Notable players	<i>iTutorGroup</i>
Indian players	  
Factors that can push the concept in India	<ul style="list-style-type: none"> One tap access to students/learners for quality guidance by experts around the globe >65% of internet users in India using Internet in vernacular languages Potential for topical experts to freelance and leverage their expertise
Potential challenges	<ul style="list-style-type: none"> Difficulty in curation of expertise of the topical experts Timely matching between student – tutor/expert

Example



Company	<i>iTutorGroup</i>
Key Investors	   
Solutions offered	<ul style="list-style-type: none"> Provides interactive language training and on-demand training from experts globally; uses big data analytics for advanced algorithmic matching between students, teaching consultants and digital content Provides STEM courses to K-12 students in mainland China
# tutors	<ul style="list-style-type: none"> 20K+ tutors in 135+ countries
Funding Raised	<ul style="list-style-type: none"> 2012: US\$ 15M 2014: US\$ 100M 2015: US\$ 200M

Digitization in Educational institutions (B2B – EdTech SaaS): Platforms to automate administrative operations in schools

Description of archetype







ERP solutions for school: Software solutions for school academic and administrative needs	<ul style="list-style-type: none"> Automation and ERP solutions for administrative operations, attendance, fee collection and other tasks Exam proctoring solutions for schools/institutions Learning management solutions for Educational institutions
Notable players (outside India)	   
Indian players	   
Factors that can push the concept in India	<ul style="list-style-type: none"> Student/Teacher ratio in India is 24:1 – school ERP help teachers streamline classroom activities, freeing up their time Indian parents heavily involved in the Education of their children – ERP solutions regularly update the parents about school activities etc.
Potential challenges	<ul style="list-style-type: none"> ERP solutions and other school management solutions can be expensive Staff not trained to used ERP solutions

Example





Company	 <i>Formerly Connexeo merged with Vanco payment solutions</i>
Key Investors	
Solutions offered	<ul style="list-style-type: none"> Accept online payments for school fees, with reconciliation Class management software with options to view and modify class schedules, take attendance, send reminders etc. Online class registration, and tracking and managing enrollments
Users/Transactions	<ul style="list-style-type: none"> More than US\$ 15B in transactions processed per year Trusted by 1,200+ school districts
Funding Raised	<ul style="list-style-type: none"> 2018: US\$ 110M (Funding raised by Connexeo)

Digital learning enablement (B2B): Connect offline teachers and institutes with their students online

Description of archetype








Digital teaching enablement: Apps/software enabling offline tutors to teach online	<ul style="list-style-type: none"> Platform to enable offline teachers/institutes to connect with their students online Ability to expand student base without any physical constraints (such as seating space in the institute) for tutors All activities can be done online – live and recorded classes, timetable scheduling, performance monitoring, fee payment etc.
Notable players (outside India)	  
Indian players	  
Factors that can push the concept in India	<ul style="list-style-type: none"> Large number of private tutors/coaching institutes that want to provide classes online
Potential challenges	<ul style="list-style-type: none"> Low technical know-how among teachers and coaching institutes using traditional methods of teaching Continued preference for offline classes among parents

Example








Company	
Key Investors	  
Solutions offered	<ul style="list-style-type: none"> Online Education platform that connects students and teachers Tool for parents to supervise on the academic status of their children AI based tool to identify student's weaknesses
Key metrics	<ul style="list-style-type: none"> 100K+ schools 50M+ elementary school teachers, students and parents
Funding raised	<ul style="list-style-type: none"> 2014: US\$ 1M 2015: US\$ 10M 2016: US\$ 15M 2017: US\$ 30.4M 2018: US\$ 100M 2019: US\$ 150M

Fintech in Education: Platforms providing Education loan for students

Description of archetype



Fintech in Education: Platforms providing Education loans for students	<ul style="list-style-type: none"> Marketplaces for Education loans for both Education in India and abroad Platforms providing Education loans and student loan refinancing options to students
Notable players (outside India)	   
Indian players	  
Factors that can push the concept in India	<ul style="list-style-type: none"> Young population with one of the largest pools of students Rising cost of Education Income Tax benefits under section 80E of IT Act
Potential challenges	<ul style="list-style-type: none"> High NPA levels for banks Reduction in Education loans by banks Challenge for loan marketplaces

Example



Company	
Key Investors	     
Solutions offered	<ul style="list-style-type: none"> Platform for business and consumer loans Offerings include student loans, personal loans, home loans, small business financing etc.
Funding Raised	<ul style="list-style-type: none"> 2011: US\$ 4M 2012: US\$ 77M 2014: US\$ 80M 2015: US\$ 1.3B 2017: US\$ 605M 2019: US\$ 539M

Student housing: Platforms providing student accommodation services

Description of archetype










Student housing: Companies providing accommodation services for students	<ul style="list-style-type: none"> Platforms providing accommodation services for students
Notable players (outside India)	
Indian players	
Factors that can push the concept in India	<ul style="list-style-type: none"> High enrollment in universities: More than 34 million students enrolled as of June 2019 20% of the current accommodation demand met by university-operated supply
Potential challenges	<ul style="list-style-type: none"> Competition from unorganized sector Standardization and maintenance of property

Example







Company	
Key Investors	
Solutions offered	<ul style="list-style-type: none"> Online marketplace to book for student accommodations Platform enables students to compare and search rooms near their universities Vets and approves very housing provider featured on the platform
Key metrics	<ul style="list-style-type: none"> Present in 29 countries globally 400+ cities worldwide
Funding raised	<ul style="list-style-type: none"> 2016: US\$ 70M 2019: US\$ 10M

Education with employment/Continuous learning: Skill building courses with a recruitment support service

Description of archetype

Education with employment/Continuous learning: Placement oriented tech courses for people seeking jobs	<ul style="list-style-type: none"> Students opt for industry-oriented tech courses with placement support for tech jobs Gig workers training and recruitment portals Platforms improving the employability of job seekers and helping them land better jobs
Notable players (outside India)	 
Indian players	      
Factors that can push the concept in India	<ul style="list-style-type: none"> Large number of jobseekers seeking re-skilling/upskilling opportunities Need for organized training platforms for gig workers
Potential challenges	<ul style="list-style-type: none"> Low realization of need for additional courses apart from curriculum for job placements Curation and delivery of skilling courses for gig workers through online medium

Example







Company	
Key Investors	    
Program Details	<ul style="list-style-type: none"> ~900 hours of classes/course (spread over 9 months for full-time students)
Program Fee	<ul style="list-style-type: none"> Upfront: US\$ 15K* upfront course fee payment ISA: 17% of salary for two years, with a cap of US\$ 30K in total payment
Funding raised	<ul style="list-style-type: none"> 2017: US\$ 0.1M 2018: US\$ 18M 2019: US\$ 30M 2020: US\$ 74M
Average Placement	<ul style="list-style-type: none"> >50%, within 6 months of graduation

Note(s): Includes 50% discount currently running on the website








Source(s): PGA Labs deal database, Company websites, PGA Labs analysis

Admission support and counselling: Companies providing support for higher Education admission process

Description of archetype







Admission support & counselling: Platforms providing admission support to students going abroad	<ul style="list-style-type: none"> Online platform that enable students to search Educational courses and provide support in application process Platforms connecting students with universities, colleges, tutors, and mentors Provides mentorship, Test preparation, and college application consultation
Notable players (outside India)	  
Indian players	  
Factors that can push the concept in India	<ul style="list-style-type: none"> High number of Indian students abroad: 753,000 Indian students as of July 2018 World's second-largest source of international students
Potential challenges	<ul style="list-style-type: none"> Real time maintenance of data and course information

Example




Company	
Key Investors	     
Business model	<ul style="list-style-type: none"> Students can discover universities and programs abroad free of cost Partner colleges can get access to well qualified students and must pay for this access
Key metrics	<ul style="list-style-type: none"> 1,200+ college/university partnerships Access to 30K+ programs 4K+ recruitment partners 120K+ students
Funding Raised	<ul style="list-style-type: none"> 2018: US\$ 12.8M 2019: US\$ 40.9M 2020: US\$ 125.9M

AR/VR in EdTech: Simulated learning experience for students/employees

Description of archetype








AR/VR-based learning: Simulated learning experience for employee training/student learning	<ul style="list-style-type: none"> Use of immersive tools for training with real world like experience on digital platforms Platforms providing AR/VR immersive learning for students
Notable players (outside India)	  
Indian players	  
Factors that can push the concept in India	<ul style="list-style-type: none"> Increasing interest of policymakers – Government plans to set up India's first AR/VR based skill training center at IIT Varanasi
Potential challenges	<ul style="list-style-type: none"> Higher cost of AR/VR-based EdTech products High cultural diversity leading to difficulty in implementing a uniform AR/VR product Low computer skills among teachers

Example






Company	
Key Investors	  
Solutions offered	<ul style="list-style-type: none"> Platform allowing the creation, management and experience of immersive training with data-driven insights and predictive analytics VR training for employees in different industries
Key Use Cases	<ul style="list-style-type: none"> Health and safety training Operational efficiency training Customer service training Sports team training
Funding Raised	<ul style="list-style-type: none"> 2016: US\$ 5M 2018: US\$ 16M 2020: US\$ 30M

Online STEM learning: Problem solving and learning platform for science, technology, engineering & mathematics

Description of archetype



Online mathematics learning platform: Online platforms to provide support in mathematics	<ul style="list-style-type: none"> Platforms providing live classes, learning materials, doubt solving and assessment for mathematics Platforms using AI technology to track students progress and customize courses Interactive and conversation-based solutions
Notable players (outside India)	 
Indian players	    
Factors that can push the concept in India	<ul style="list-style-type: none"> Need for innovation: One in 10 children suffer from 'despair and rage' while solving mathematical problems Increasing importance of critical thinking and problem-solving skills for jobs
Potential challenges	<ul style="list-style-type: none"> Niche platforms with focus on single subject Continued preference for offline classes among parents

Example



Company	
Key Investors	   
Solutions offered	<ul style="list-style-type: none"> Provides live classes, Provides teaching tools, Provides learning materials, and assessments Caters to 3-9 years old children Uses AI to track child's progress
Number of users	<ul style="list-style-type: none"> 250K+ students in over 360 cities in 50 countries
Funding Raised	<ul style="list-style-type: none"> 2019: US\$ 15M 2020: US\$ 180M

Extra-curricular learning: Platforms/apps to learn vocational skills like music, dance, cooking, photography etc.

Description of archetype

Extra-curricular learning: Platforms/apps to learn vocational skills like music, dance, cooking etc.	<ul style="list-style-type: none"> Apps/platforms for learning to play instruments Online platforms for booking music, dance, painting etc. classes offline Platforms with courses/videos to build vocational skills
Notable players (outside India)	
Indian players	
Factors that can push the concept in India	<ul style="list-style-type: none"> Large and aspiring young Indian population seeking more opportunities to acquire new skills Popularity of concept of music and dance classes in India – Furtados School of Music (FSM) has 75K+ students
Potential challenges	<ul style="list-style-type: none"> Niche platforms with often focus on single vocational skill Traditionally, preference for offline hobby learning

Example

Company	
Key Investors	
Solutions offered	<ul style="list-style-type: none"> Offers instrument activated apps that gives instant real time feedback on how the music is played on piano, keyboard etc.
Metrics	<ul style="list-style-type: none"> 10M+ downloads 1M music learners per week Used by 10% of US music teachers Simply Piano(JoyTunes app) ranked #1 Education App in over 20 countries
Funding Raised	<ul style="list-style-type: none"> 2012: US\$ 500K 2013: US\$ 1.5M 2014: US\$ 5M 2018: US\$ 10M 2019: US\$ 25M

Agenda

Education in India: An overview

Investment activity across EdTech sub-segments

Next wave of value creation

Appendix: Leading startups driving innovation in EdTech



BYJU'S: Largest K-12 supplementary Education player with asynchronous content and live learning



Founded

2011

employees

26K

Total funding*

~US\$ 2.32B

Latest funding

US\$ 200M (Nov'20)

Key offerings

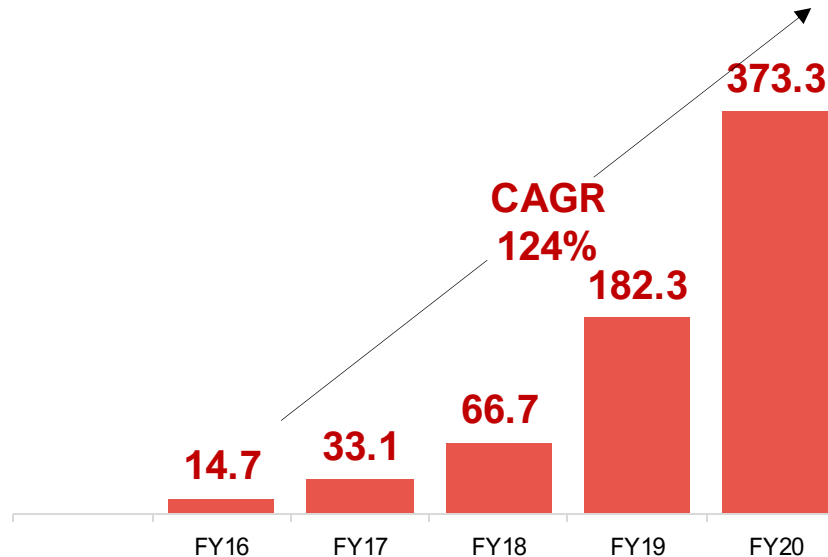
- **Disney BYJU'S Early Learn:** For LKG-Grade 3 students
- **BYJU'S app:** Grade 4-12 students; CBSE/ICSE/State boards and JEE/NEET exam preparation
- **BYJU'S Classes:** Live classes for Grade 4-12 students; CBSE/ICSE/State boards and competitive exam preparation

Brands acquired



Key metrics

Revenue (US\$ M)



Year	FY16	FY17	FY18	FY19	FY20	FY21 YTD*
#Users	4M	7M	15M	30M	42M	64M

Key investors



Impact

- Introduced the concept of online learning at a mass scale
- More than 15M students using BYJU'S mobile app
- More than 0.9M paid subscribers on the platform

Note(s): *Data till 10th December 2020

Source(s): PGA Labs deal database, Company website, , PGA Labs analysis

Toppr: Online platform offering K5-12 online classes along with courses in subjects like robotics



Founded

employees

Total funding*

Latest funding

2013

~1K

~US\$ 107M

US\$ 47M (Jul'20)

Key offerings

- K5-12 coaching and test preparation for JEE, NEET, etc.
- One-on-one coding classes for kids aged 6-18
- Learning centers for students interested in robotics, experimental physics etc.
- School OS for digitalizing learning in schools

Brands acquired

2015

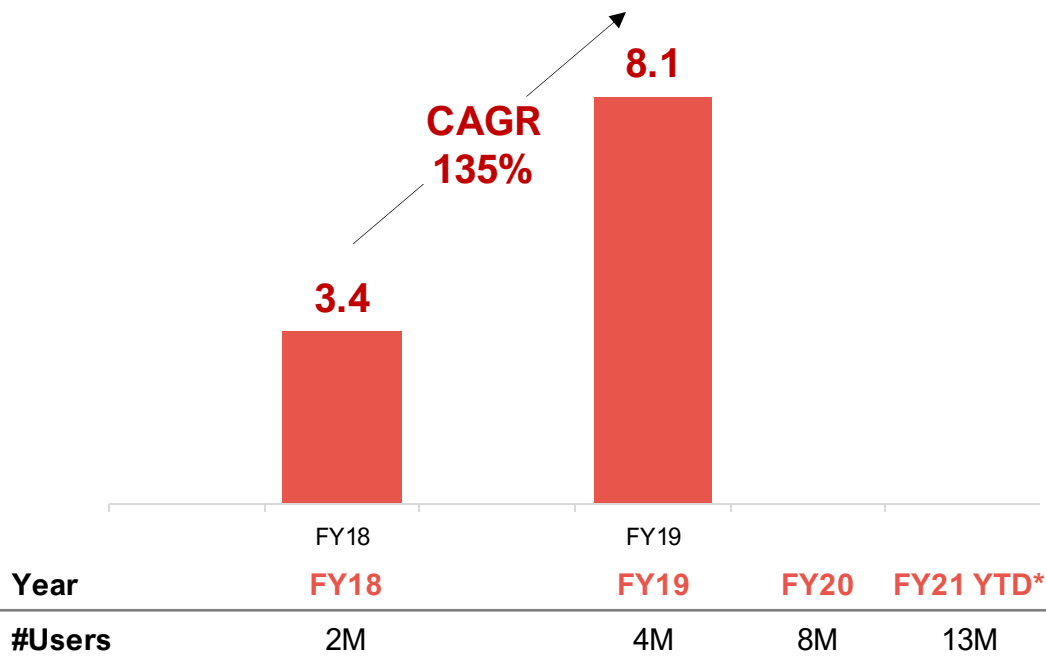


2016



Key metrics

Revenue (US\$ M)



Key investors



Impact

- All chapters divided into various goals with students suggested to move to the next goal only after achieving >70% accuracy
- Helps in long-term confidence improvement and leads to improved scores

Note(s): *Data till 10th December 2020

Source(s): PGA Labs deal database, Company website, PGA Labs analysis

Unacademy: Online platform for competitive exam preparation



Key offerings

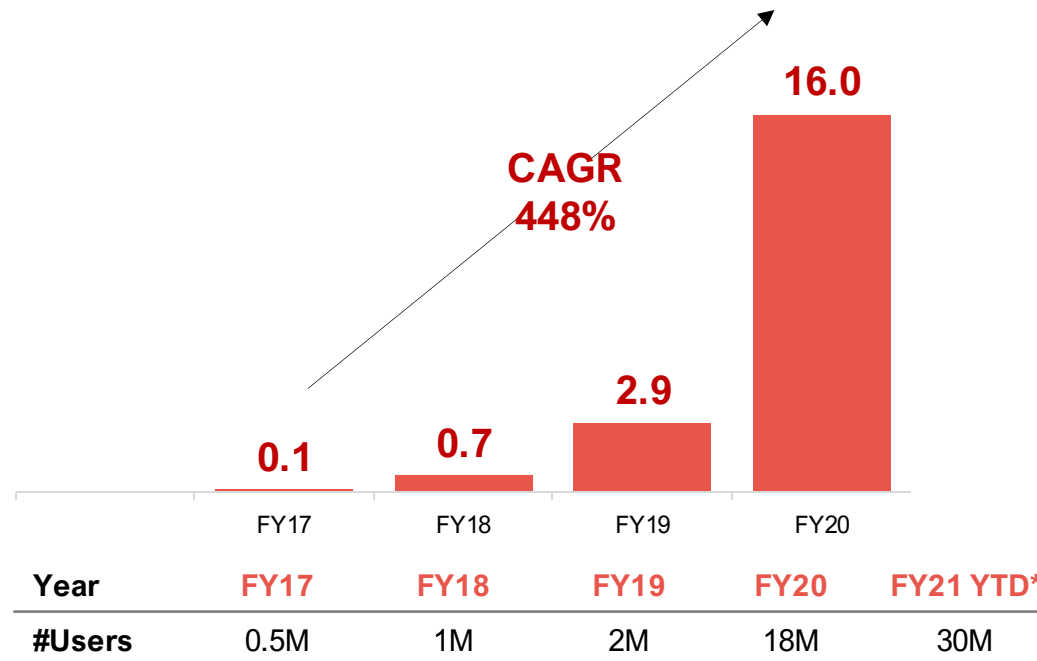
- 1.5K+ daily online live coaching classes across 60+ exams categories
- Repository of recorded video classes (1M+ videos)
- Live tests and quizzes

Brands acquired



Key metrics

Revenue (US\$ M)



Key investors



Impact

- Provided an alternative to the expensive coaching institutes for students preparing for competitive examinations
- Platform for private teachers to offer their lectures on the website/app and earn money

Note(s): *Data till 10th December 2020

Source(s): PGA Labs deal database, Company website, PGA Labs analysis

Vedantu: Online platform for instructor-led live classes



Key offerings

- Online classes for K5-12 across subjects including languages
- Test preparation for JEE, NEET
- Live tests and quizzes
- Coding courses for kids

Brands acquired

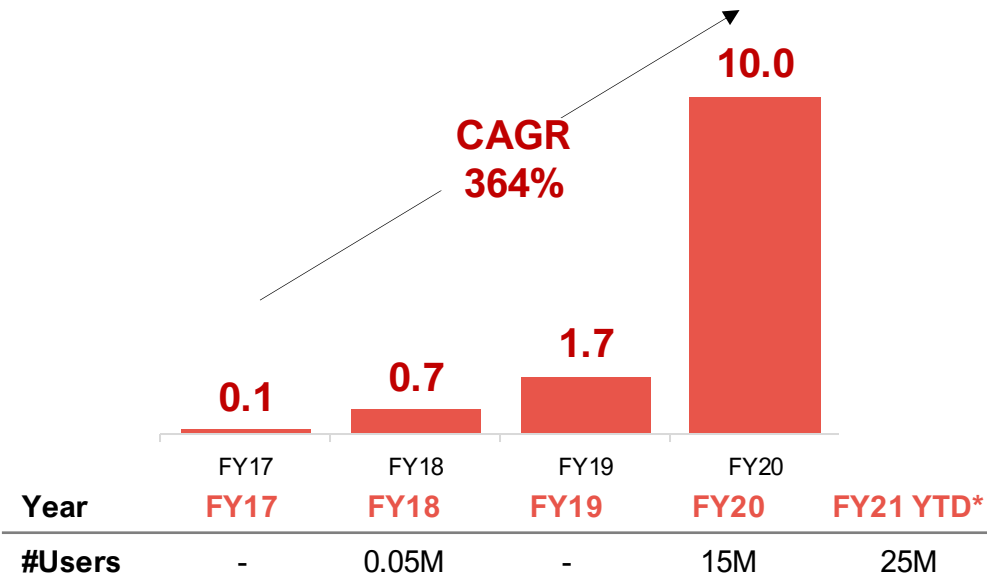
2020



Instasolv

Key metrics

Revenue (US\$ M)



Key investors



Impact

- Platform adopts AI & ML for personalizing teaching as well as learning for each student and has been developed for making LIVE classes more enticing and engaging
- More than 150K paid subscribers

Lead School: Platform enabling delivery of school Education digitally



Key offerings

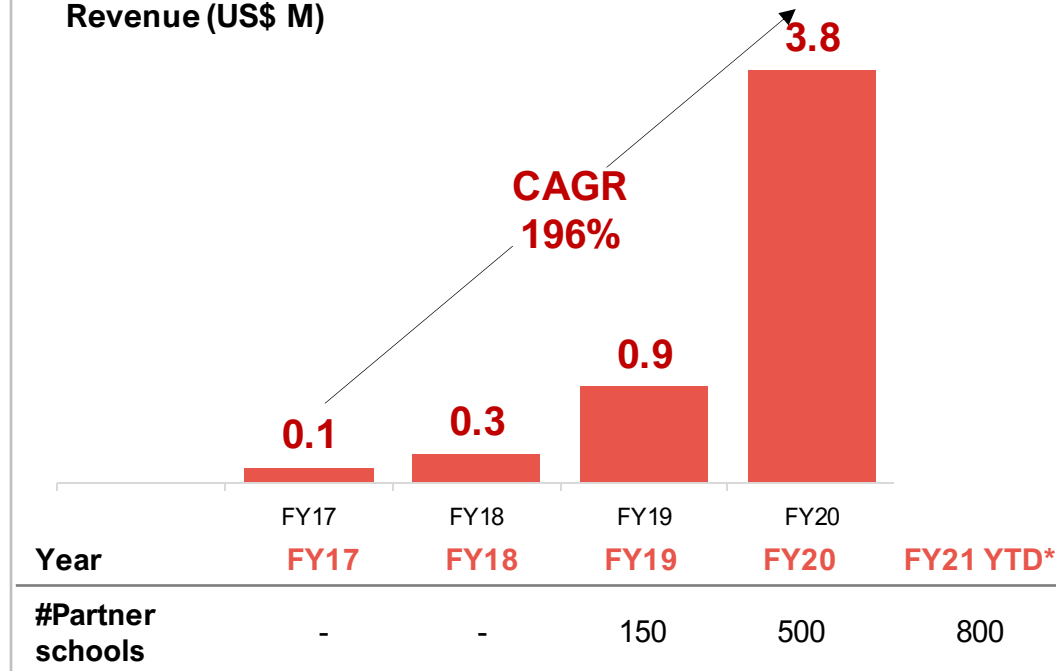
- Integrated Learning System to enable schools to digitize their curriculum
- Customized timetable for schools
- Live and recorded classes for students
- Prepare teaching resources and track student progress

Stakeholders

- **Parents:** Regular updates, child progress tracker
- **Teacher:** Digital classroom resources, student progress reports
- **School Principal:** Teacher and student progress overview

Key metrics

Revenue (US\$ M)



Key investors



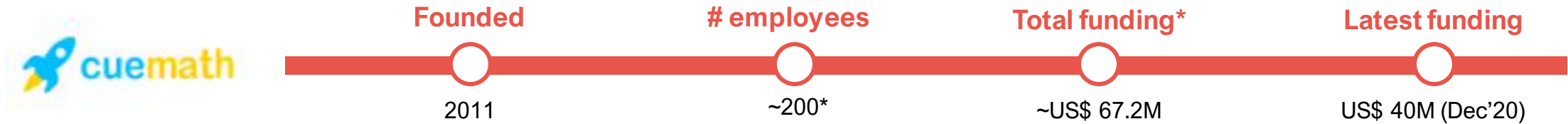
Impact

- Enabled schools to provide live and recorded classes post-lockdown
- Regular tracking of student performance enabled overall improvement in their performance

Note(s): *Data till 10th December 2020

Source(s): PGA Labs deal database, Company website, PGA Labs analysis

Cuemath: Platform connecting students with trained teachers near their locality



Key offerings

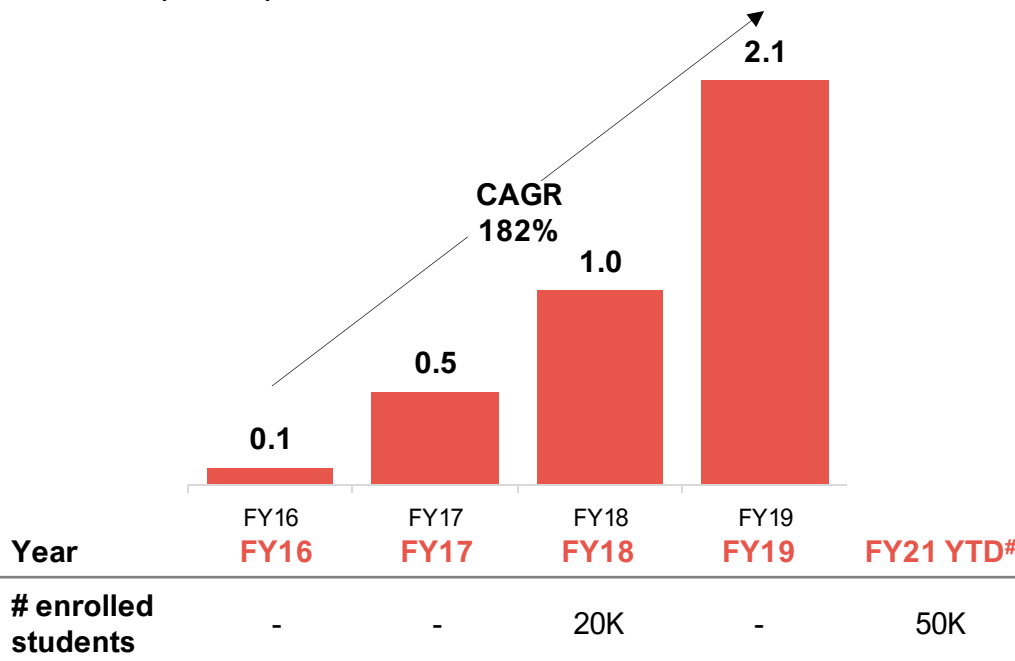
- Online Math and coding classes for kids in G1-10 (earlier had only offline classes but has shifted to online mode post-lockdown)
- 1:1 online classes for students outside India

Business model

- **Zero capex model:** Teachers take online classes from their home (earlier in-person classes were also taken at teachers' homes)
- **International coverage:** 1-on-1 live classes with 500+ international students (primarily USA and Canada)

Key metrics

Revenue (US\$ M)



Key investors



Impact

- Revolutionized the unorganized private tuition sector by connecting students with trained teachers near their locality
- Gamified learning through tab-based and card-based exercises

Classplus: Online platform to connect teachers and institutes with their students



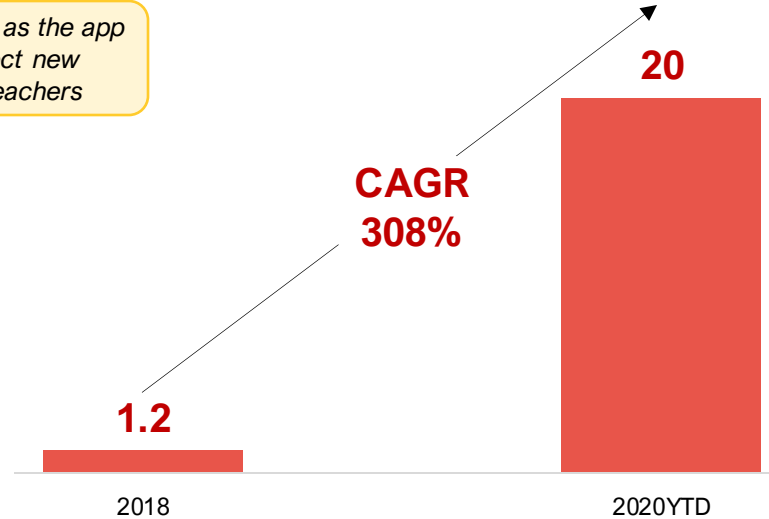
Key offerings

- Platform for teachers/coaching institutes to launch their courses online by uploading videos
- Online assessments and feedback for students

Not a marketplace as the app does not connect new students with teachers

Key metrics

Number of registered teachers (K)



Brands acquired

2020



Merak Software Solutions

Key investors



Impact

- Enabled offline tuition teachers and coaching institutes to connect with their students online
- Simplified student-teacher interaction by bringing all services on a single platform – Course delivery, fee collection, tracking student progress etc.

Note(s): *Data till 10th December 2020

Source(s): PGA Labs deal database, Company website, PGA Labs analysis

upGrad: Online platform for delivering upskilling courses to students and professionals



Founded

employees

Total funding*

Latest funding

2015

~1.1K*

~US\$ 6.9M

US\$ 6.7M

Key offerings

- Degree, diploma and certification courses across data science, managements, marketing, etc.
- B2B courses for corporates
- Placement support & mentoring

Brands acquired

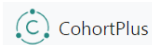
2016



2018



2019



2020

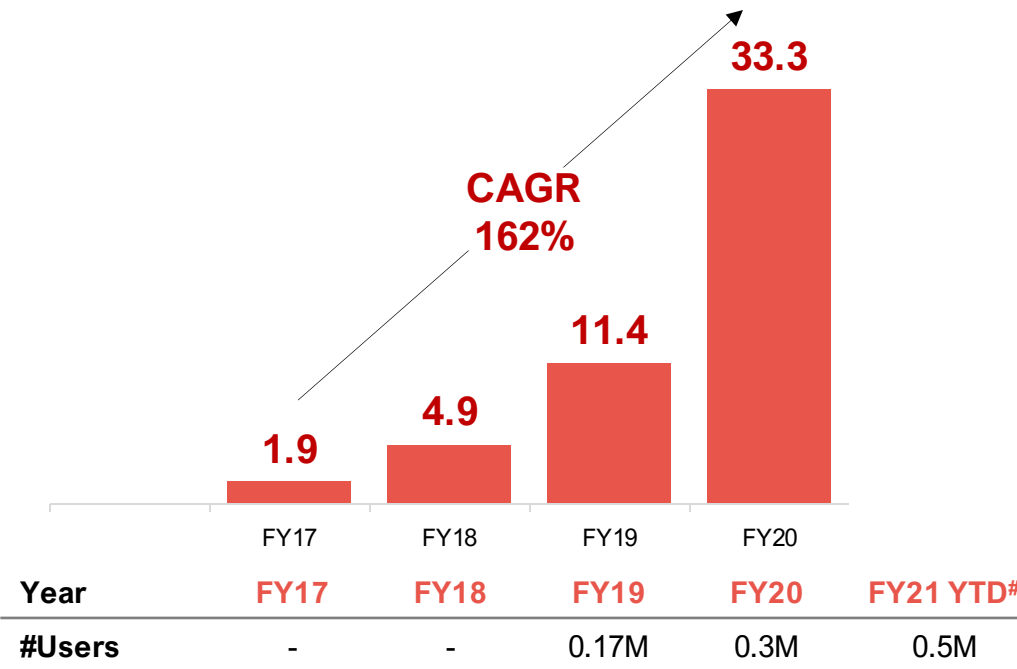


2020



Key metrics

Revenue (US\$ M)



Key investors



Impact

- Introduced revolutionary courses to bridge the skill gap that exists in students due to the current course structure in colleges/universities
- Practical training through live projects
- Improved employability of students



Rajat Tandon
President, IVCA

About IVCA

IVCA is the oldest and most influential PE & VC industry body in India, its purpose is to promote the Alternative Investment Asset class. IVCA supports the ecosystem by facilitating advocacy discussion with the Government of India, policymakers, regulators, and supports the entrepreneurial activity, innovation, and job creation in India.



EdTech is one sector which goes in sync with the Moore's Law, with the advancing tech, Education Technologies in India have become a change maker. This report covers investment activities across EdTech and analyses what the future of innovation holds in the next decade. Whereas these are testing times for so many entrepreneurs globally, EdTech in India has emerged a clear winner, this report also projects how new unicorns are being presented globally, putting India yet again on the Globe in regard to tech, innovation and digital consumption.

Specific practitioner expertise



Madhur Singhal

Practice Leader

**Education, Employability
and Entrepreneurship**



Aryaman Tandon

Domain Leader

**EdTech and
Technology/Internet**



Vaibhav Tamrakar

Vice President

EdTech



Kaushal Patel

Practice Member

Gig economy and Test Prep



Abhishek Maiti

Vice President

Blue collar learning



Mit Desai

Practice Member

Pre-K, Higher Ed



Deep Ghose Dastidar

Practice Member

K12 and Test Prep



Harish Kumar K R

Practice Member

Pre-K, School chains

How we help our clients

We work alongside leading investors, Educational institutions & global foundations across product, technology, and service offering segments.



Digital Orientation

Enabling our partners navigate the tectonic digital transformation to deliver quality content and gain market attractiveness



Customer Insight & Brand Loyalty

Measuring and driving improvement in NPS scores and customer loyalty through detailed customer insights and proven frameworks



Cost Transformation

Identifying sustainable opportunities for profit improvement by focusing on strategic cost management



Growth and Scale Up

Growing fast and scaling up by optimizing client offerings, pricing, promotion, future models, and VAS



Profitability and unit economics

Developing unit economics for any new product/market launch and driving profitability by operational efficiency



Process Re-engineering

Designing and implementing processes based on the principles of design thinking to enhance customer experience



Technology and Internet

Specific practitioner expertise



Aryaman Tandon

Practice Leader

Consumer Internet and Ecommerce



Madhur Singh

Practice Leader

Internet and Ecommerce



Shishir Mankad

Domain Leader

Fintech and Digital lending



Abhishek Maiti

Vice President

Shared mobility, Hospitality and E-groceries



Ashutosh Somani

Practice Member

Foodtech, EdTech, and Real estate Tech



Vibhor Gupta

Practice Member

Mobility, HealthTech, and Hospitality



Sushman Das

Practice Member

Ecommerce, EdTech, and Mobility



Kaushal Patel

Practice Member

Ecommerce, Real estate tech, and Internet brands

How we help our clients

We work with new-age internet businesses extensively across growth strategy, international market entry, business plan review, customer life cycle management preparing them for the digital economy transformation.



Concept validation and scaling up

Enabling innovative startups in concept testing, customer validation, and accelerating the process of scaling-up



Category and channel expansion

Helping clients grow their business by expanding their product categories, expanding into new categories and launching private labels



Customer growth and experience

Powering growth strategies through detailed customer segmentation and behavioral analysis



Distribution and Go-to-Market

Creating comprehensive roadmaps for launching new products or expanding to new markets



Operational efficiency & Cost Reduction

Delivering sustainable reduction in operating costs based on rigorous cost benchmarking and zero based assessment



Enhancing organization productivity

Re-imagining employee roles and driving great organization productivity and efficiency



We have successfully worked with clients across verticals

50+ VC firms
100+ Investors
250+ Engagements

Our people have deep experience in Business research



Aryaman Tandon
Director
Consumer Internet and Ecommerce



Seema Karwa
Vice President
FoodTech, Investments, and Consumer tech



Abhishek Maiti
Vice President
Shared mobility, Hospitality and E-groceries



Vaibhav Tamrakar
Vice President
EdTech, FoodTech, and Mobility

How we help our clients

We have a wide bouquet of deep business research skills and advanced analysis capabilities. Our research is unique, focusses on “What and Why” and our approach is holistic unlike a typical MR firm.



Benchmarking (cost, product features)
Comparison of players across relevant parameters



Sector360: Scan/fact-base
Detailed review and landscape of a sector



Company360: Company review
Detailed review of company's details, strategy and operations



Competitor intelligence
Intelligence and analysis of a company's tactics



Survey administration and management
Design, oversee, implement, analyze and present findings



Voice of the customer
Customer interviews and survey-based analysis



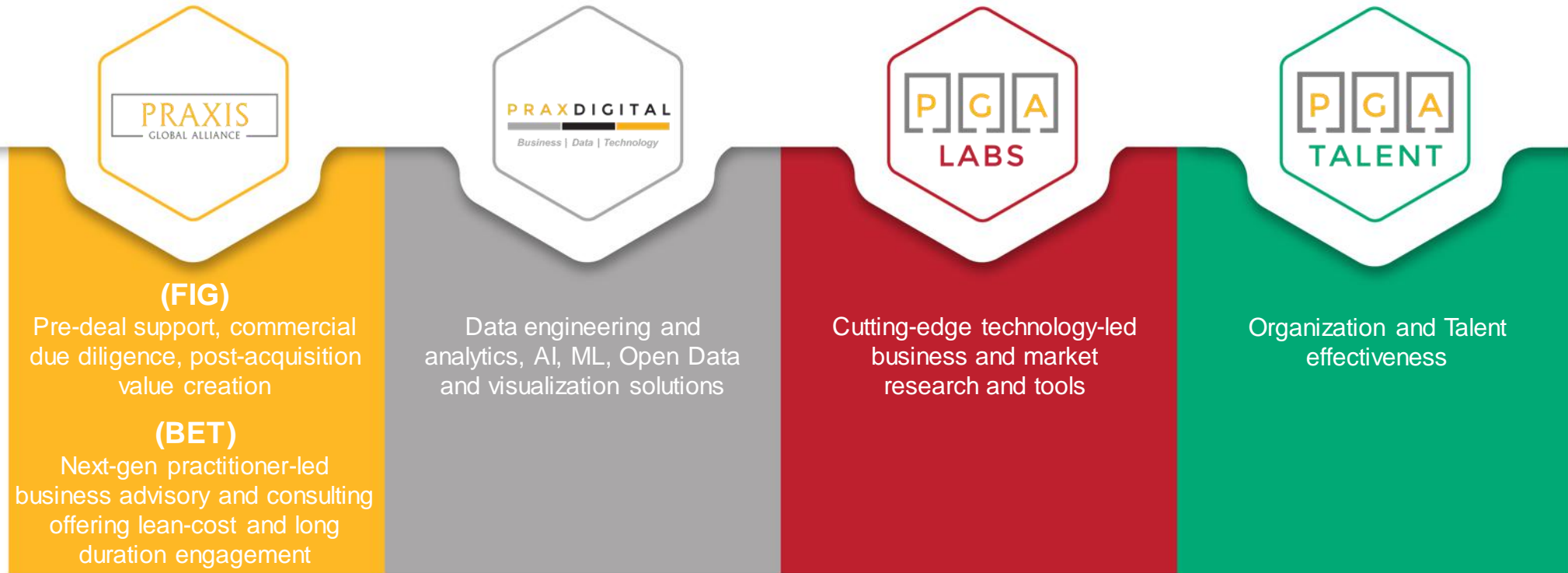
Web scraping and analytics
Scraping and analysis of public data



Process mapping and best practices
Enlist best practices

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Connect with us - We will be happy to share perspectives

Aryaman Tandon

Director, Gurugram

aryaman.tandon@praxisga.com

T: +91 11 4932 3564

Madhur Singhal

Managing Director, Mumbai

madhur.singhal@praxisga.com

M: +91 908 221 8254

**For media queries,
please contact**

Vaibhav Tamrakar

Vice President, Bengaluru

vaibhav.tamrakar@pgalabs.in

M: +91 962 522 6697

Seema Karwa

Vice President, Gurugram

seema.karwa@pgalabs.com

M: +91 962 522 6696

Parul Singh

Head, Marketing and Communications

marketing@praxisga.com

M: +91 782 794 4926

Abhishek Maiti

Vice President, Gurugram

abhishek.maiti@praxisga.com

M: +91 962 522 6702

Kartik Singh

Associate, Bengaluru

kartik.singh@pgalabs.com

M: +91 989 232 9369

Diksha Bhutani

Lead, PR and Communications

pr@praxisga.com

M: +91 935 413 7148

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