DETAILED OVERVIEW OF THE EDUCATION & TRAINING SECTOR IN INDIA

Final Report

June 2019

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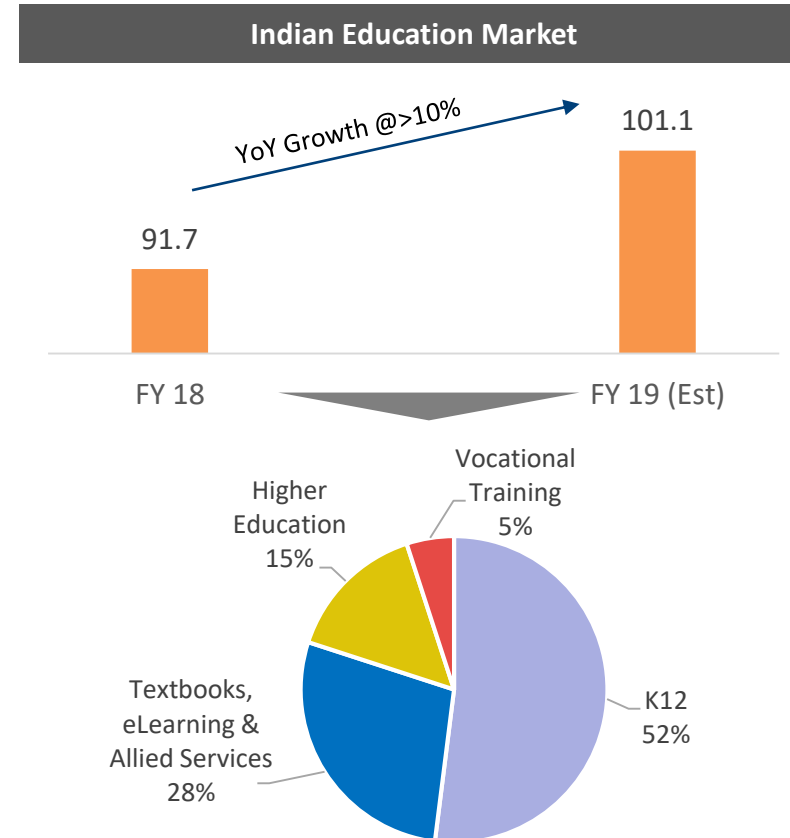**Head - Channel & Trade | kiran@feedbackconsulting.com**

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Market Overview

Educations & Training – Sector overview

- India holds an important place in the global education industry. India has one of the largest networks of higher education institutions in the world

- India has the world's largest population of about <u>500 million in the age bracket of 5-24 years</u> and this provides a great opportunity for the education sector

- Government of India's target of <u>Gross Enrolment Ratio (GER) of 30% for higher education by 2020</u> is expected to drive investments in the education space

- The government is also planning to promote the education sector to help increase the share of overall services' sector in the GDP of the country

- Education sector in India is a mix of government-operated & privately operated educational institutions and allied education products & services providers
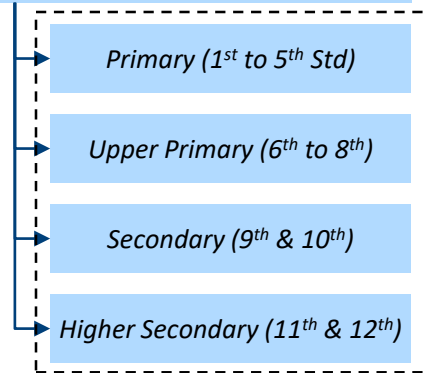
Source: World Economic Forum

Indian Education Market

YoY Growth @>10%

91.7   FY 18

101.1   FY 19 (Est)

Vocational Training 5%

Higher Education 15%

K12 52%

Textbooks, eLearning & Allied Services 28%
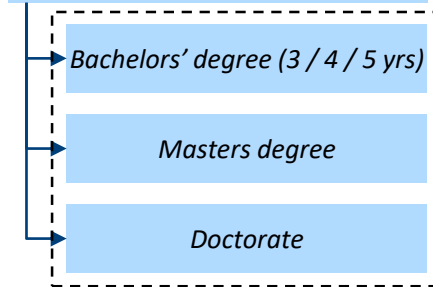
Structure of Indian education system

Formal education

Organized, guided by a formal curriculum, leads to a formally recognized credential such as a high school completion, diploma or a degree, and is often guided and recognized by government
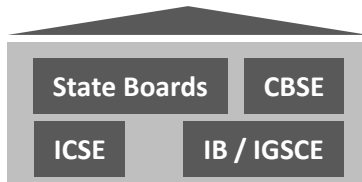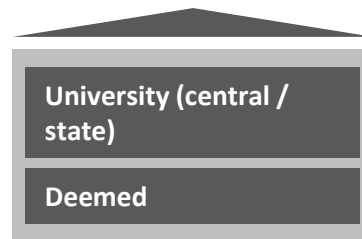
K 12

- Primary (1st to 5th Std)
- Upper Primary (6th to 8th)
- Secondary (9th & 10th)
- Higher Secondary (11th & 12th)

Boards Affiliated to

State Boards	CBSE
ICSE	IB / IGSCE

Higher education

- Bachelors' degree (3 / 4 / 5 yrs)
- Masters degree
- Doctorate

Universities Affiliated to

University (central / state)
Deemed

Informal education

Mostly unorganized, may or may not be guided by a formal curriculum. Though it doesn't result in a formal degree or diploma, non-formal education is highly enriching and builds an individual's skills and capacities

Pre school / Pre primary	Vocational	Coaching	Corporate training
▪ Play group ▪ Nursery ▪ LKG ▪ UKG	▪ ITI ▪ Job oriented training ▪ Other vocational training	▪ Private tuitions ▪ Test preparation (IIT-JEE, GATE, CAT, TOEFL, GRE, GMAT, etc.)	

Source: MHRD statistics, Feedback Repository

Pre-primary : Types of institutes offering the education

Pre-primary educational institutes

(Play group, Nursery, LKG, UKG)

K 12 Schools

- *Schools of various boards (state boards, CBSE, etc.)*
- *Standalone schools & chains*
- *Levels offered – **Nursery, LKG and UKG***
- *No. of years spend by a student : 2-3 years*
- *Follow own curriculum*

Some key stats
- Population (1-6 years) : ~165 Mn (2011 census)
  - Urban – 50 Mn; Rural – 115 Mn
- Pre school enrollment
  - Urban : 25-30%
  - Rural : 5-7%
- 85% of pre-schools present in India are in present in urban areas (tier-1 & select tier-2 cities)

Dedicated institutes

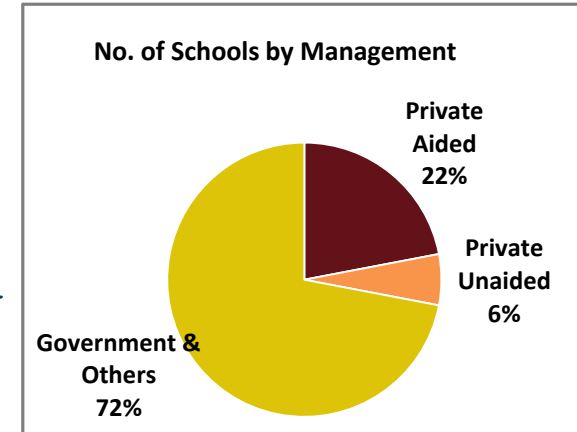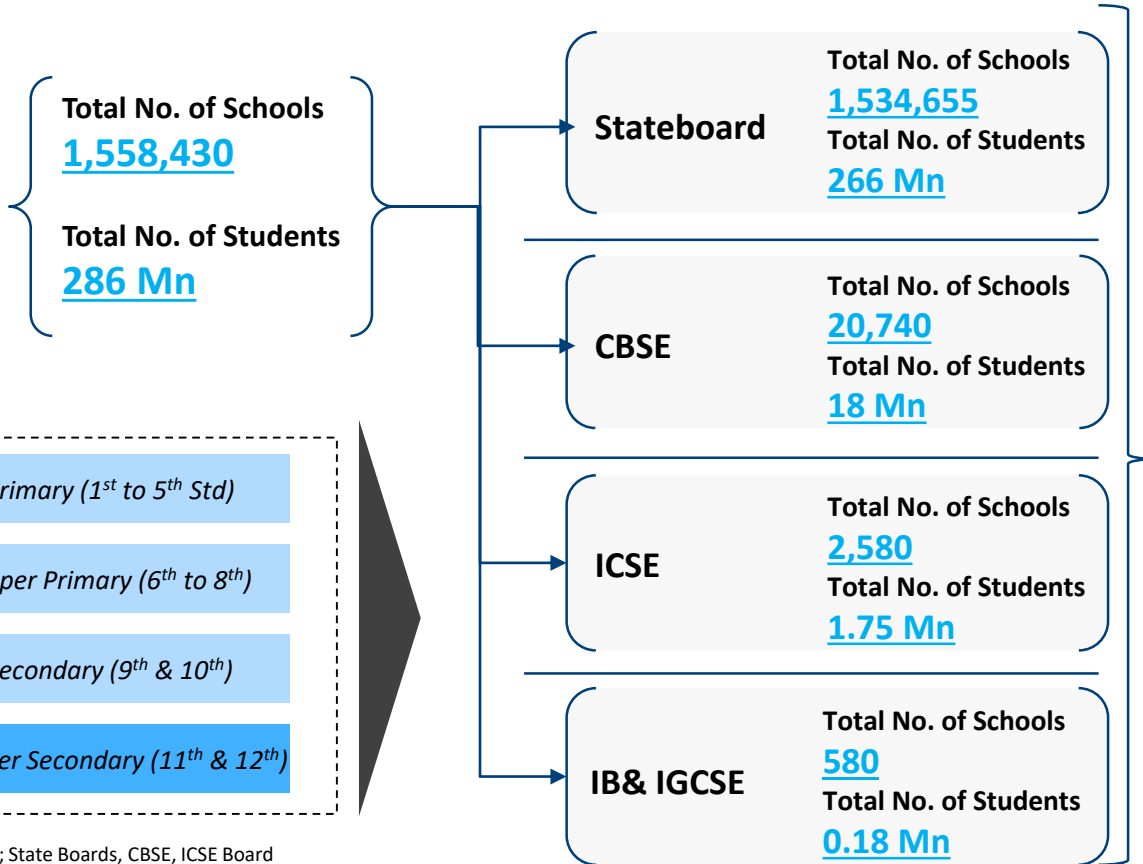#### Chains / Franchise

- *Chains operating at India level and city level*
- *There are about 20 national level players*
  - *Some names include – Kidzee, Euro Kids, Little Elly, Tree House, Hello kids, Maple Bear, Smart Kids, Shemrock, Kids Campus, Pebbles, Indus learning, Bachpan, etc.*
  - *In all there are about 4,000 – 5000 play schools in this category*
- *City level chains may have branches with a minimum of 3 and a maximum of 10 nos.*
- *Levels offered : **play group and nursery are commonly offered** while a few of them also offer LKG & UKG*
- *No. of years spend by a student : 1-2 years*

Standalone

- *Highly unorganized; an estimated of 30,000* pre schools are present in India currently*
- *Levels offered : **play group and nursery***
  - *Play schools are not a common preference for LKG & UKG*
- *No. of years spend by a student : 1-2 years*
- *Pre-schools in this category also offer day care for children*

*Views from experts, national chains, Secondary research. Does not include only day care facilities

Education from the Primary to Higher Secondary level is offered by the schools

Total No. of Schools
1,558,430

Total No. of Students
286 Mn

- Primary (1st to 5th Std)
- Upper Primary (6th to 8th)
- Secondary (9th & 10th)
- *Higher Secondary (11th & 12th)

Stateboard

Total No. of Schools
1,534,655
Total No. of Students
266 Mn

CBSE

Total No. of Schools
20,740
Total No. of Students
18 Mn

ICSE

Total No. of Schools
2,580
Total No. of Students
1.75 Mn

IB& IGCSE

Total No. of Schools
580
Total No. of Students
0.18 Mn

No. of Schools by Management

Private Aided 22%

Private Unaided 6%

Government & Others 72%

IB - International Baccalaureate Schools
IGSCE - Indian General Certificate of Secondary Education
ICSE – Indian Certificate of Secondary Education
CBSE - Central Board of Secondary Education

Source: DISE; State Boards, CBSE, ICSE Board

Past trends on schools and students addition in India

No. of Schools by Affiliated Board (Nos. in '000)

	FY 14	FY 15	FY 16	FY 17	FY 18 (Est.)	CAGR: 5 Years
State Board	1,482.88	1,516.89	1,522.35	1,528.49	1534.66	0.9%
CBSE	14.78	16.35	17.7	19.16	20.74	8.8%
ICSE	1.8	1.98	2.16	2.36	2.58	9.5%
Other Boards (IB, IGCSE)	0.43	0.49	0.52	0.55	0.58	7.7%
Total	**1,499.89**	**1,535.70**	**1,542.73**	**1,550.56**	**1558.56**	**1%**

No. of Students by Affiliated Board (Mn)

	FY 14	FY 15	FY 16	FY 17	FY 18 (Est.)	CAGR: 5 Years
State Board	258.60	259.60	260.80	263.40	166.03	0.7%
CBSE	13.7	14.1	15.2	16.8	18.6	8.0%
ICSE	1.4	1.5	1.6	1.7	1.75	6.4%
Other Boards (IB, IGCSE)	0.11	0.12	0.14	0.16	0.18	13.2%
Total	**273.7**	**275.4**	**277.8**	**282.1**	**286.5**	**1.1%**

Source: DISE; State Boards, CBSE, ICSE Board

Overview of higher education in India

Higher education

Bachelors' (UG)

Masters' (PG)

Doctorate

1. **Degree course**
   - Course tenure : 3 years
   - Streams – science, commerce, arts, business administration, computers, etc.
2. **Engineering & Technology**
   - Course tenure : 4 years
   - About 130 streams present in India offered by various colleges
   - Popular streams in engineering are Civil, Mechanical, Electronics, Computers, Info Tech, Electrical, Textile and Architecture
3. **Medical Sciences**
   - Course tenure : 5.5 years
   - Courses offered : MBBS, BDS, BHMS, BAMS

1. **2 years course**
   - Streams – engineering & technology, medical, science, commerce, arts, business administration, computers, etc.

1. **Ph.D – takes anywhere between 3- 8 years (or more in some cases)**

Ownership of colleges

Private (Unaided)
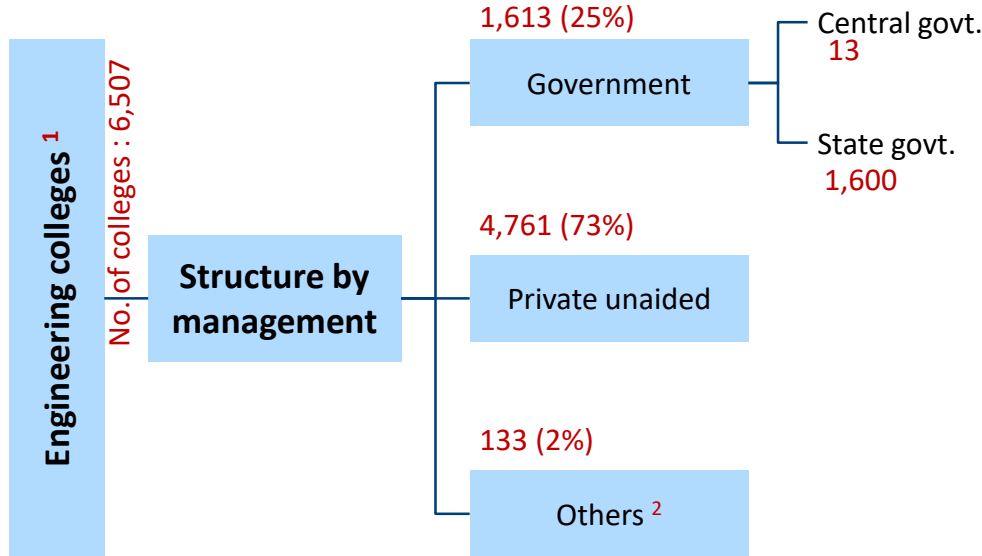
Private (Aided)

Government (state & central)

Deemed university (govt. & private)

Engineering colleges : Overview
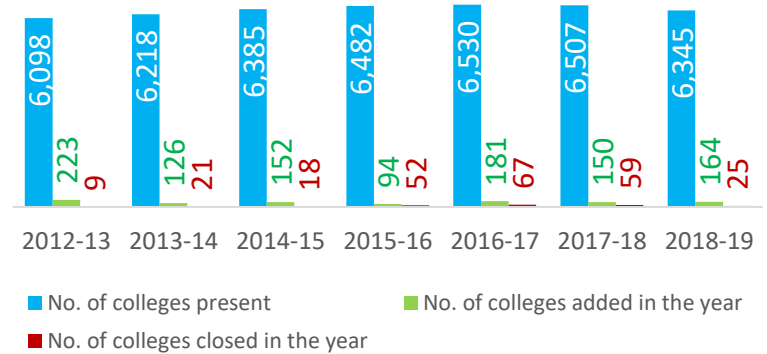
Classification of engg colleges – based on management

All figures pertain to the year FY 2017-18

Engineering colleges [1]

No. of colleges : 6,507

Structure by management

Government — 1,613 (25%)
- Central govt. 13
- State govt. 1,600

Private unaided — 4,761 (73%)
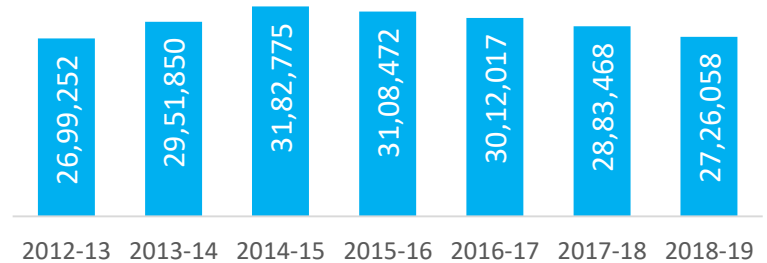
Others [2] — 133 (2%)

- [1] **Courses offered – Diploma, Under Graduate (UG), Post Graduate (PG) & Doctorate**
- [2] **Others – Pvt. Aided (18); University Managed [pvt. (30) & govt.(68)]; Deemed university [pvt. (13) & govt (4)]**
- **Top 6 states accounts for 56% of total engineering colleges**
  [TN (~1025); MH (~800); UP (~600); AP (~470); TL (~425), KK (~420)]

Source : AICTE (All India Council for Technical Education)

Number of engineering colleges in India

Year	No. of colleges present	No. of colleges added in the year	No. of colleges closed in the year
2012-13	6,098	223	9
2013-14	6,218	126	21
2014-15	6,385	152	18
2015-16	6,482	94	52
2016-17	6,530	181	67
2017-18	6,507	150	59
2018-19	6,345	164	25

- No. of colleges present
- No. of colleges added in the year
- No. of colleges closed in the year

Students intake in engineering colleges

Year	Students intake
2012-13	26,99,252
2013-14	29,51,850
2014-15	31,82,775
2015-16	31,08,472
2016-17	30,12,017
2017-18	28,83,468
2018-19	27,26,058

Medical colleges : Overview

Courses in medical are categorized under 4 categories

Ownership of college	MBBS *(Bachelor of Medicine / Bachelor of Surgery)*		BDS *(Bachelor of Dental Surgery)*		BHMS *(Bachelor of Homeopathic Medicine & Surgery)*		BAMS *(Bachelor of Ayurvedic Medicine & Surgery)*	
	No. of colleges	Student intake	No. of colleges	Student intake	No. of colleges	Student intake	No. of colleges	Student intake
Govt. *	226	30,880	47	2,980	31	1,668	48	2,233
Private *	10	1,300	265	23,530	187	13,896	179	8,490
Private (Society) *	26	2,350	-	-	-	-	8	335
Private (Trust) *	217	26,615	-	-	-	-	10	460
Total	479	61,145	312	26,510	218	15,564	245	11,518

No. of colleges : ~1,250 | Students intake : ~115,000

* Courses offered – UG, PG & Doctorate

All figures pertain to the year 2017-18

Source: Medical Council of India

MBA colleges : Overview

Classification of MBA colleges – based on management

All figures pertain to the year FY 2017-18

Business Management colleges

No. of colleges : 3,265

Structure by management

Government — 206 (6.5%)
- Central govt. 6
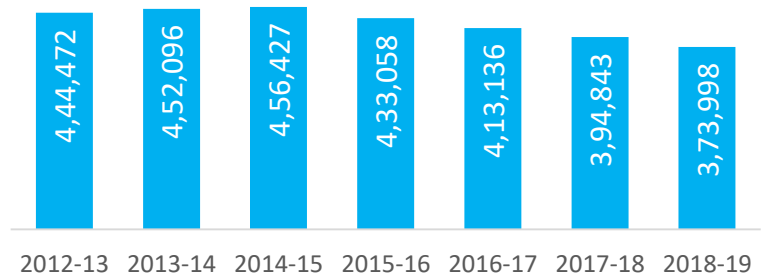- State govt. 200

Private unaided — 2,977 (91%)

Others [1] — 82 (2.5%)
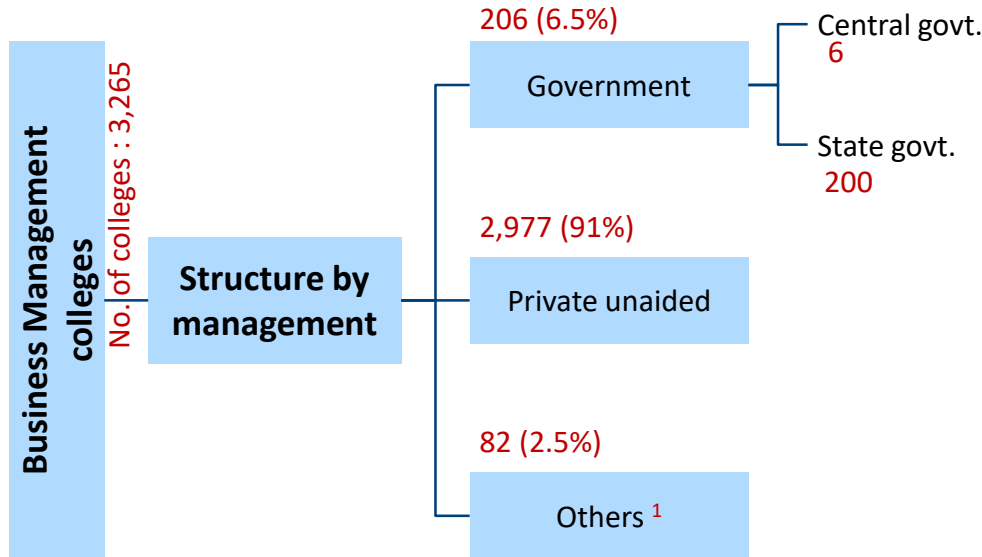
[1] Others – Pvt. Aided (8); University Managed [pvt. (21) & govt.(44)]; Deemed university [pvt. (8) & govt (1)]

Source : AICTE (All India Council for Technical Education)

Number of Business Management colleges in India

Year	No. of colleges present	No. of colleges added in the year	No. of colleges closed in the year
2012-13	3,882	97	42
2013-14	3,758	19	62
2014-15	3,609	45	42
2015-16	3,474	24	66
2016-17	3,359	39	79
2017-18	3,265	48	35
2018-19	3,118	86	24

■ No. of colleges present   ■ No. of colleges added in the year
■ No. of colleges closed in the year
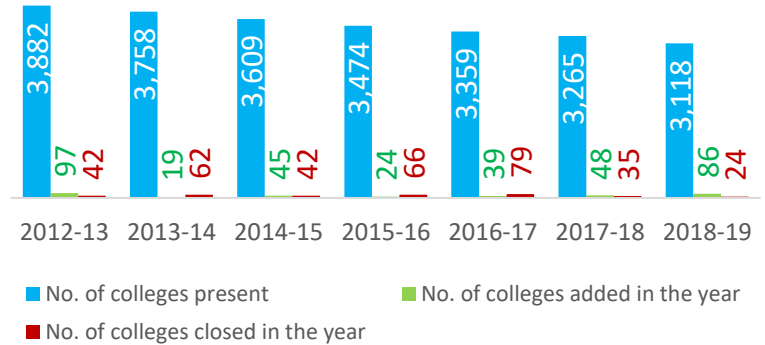
Students intake in Business Management colleges

| Year	Students intake
2012-13	4,44,472
2013-14	4,52,096
2014-15	4,56,427
2015-16	4,33,058
2016-17	4,13,136
2017-18	3,94,843
2018-19	3,73,998

Vocational training market: Overview

Vocational Sector : Brief

- Vocational training market in India has increased from USD 1.4 billion in FY11 to USD 4.6 billion in FY18.

- Vocational training market in India is likely to take off in a major way over the next few years owing to strong government participation

- Government has set a target of preparing 500 mn skilled workers by 2022.

- Out of around 75-80 mn jobs that will be created over the next 5 years, 75% will require vocational training to enhance the employability prospects.

- Huge demand-supply gap also encourages the entry of new players in the this segment.

Vocational training market in India (FY 13-FY 17)

Value : in USD billion
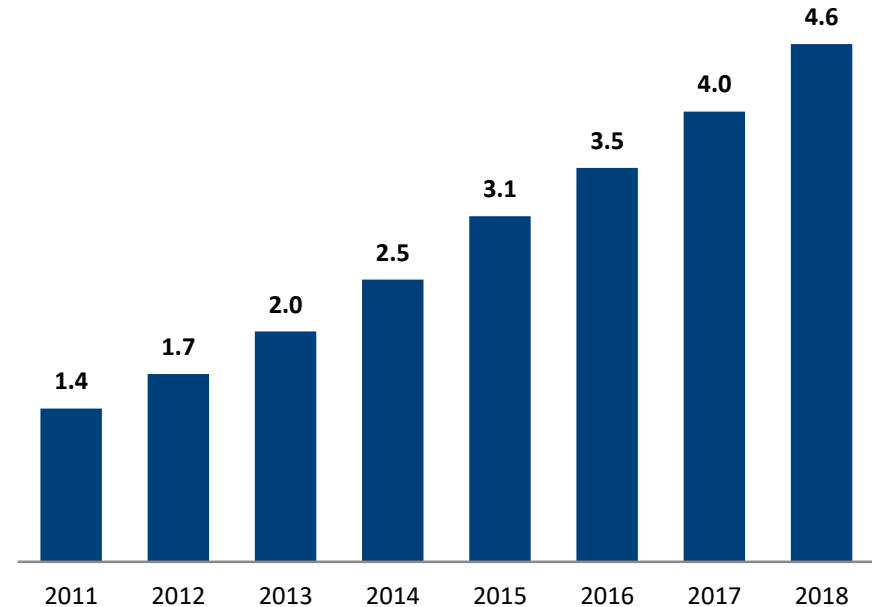
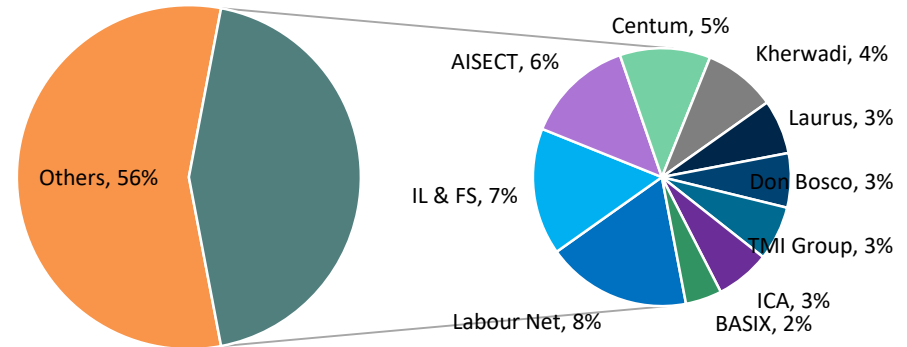| Year	Value
2011	1.4
2012	1.7
2013	2.0
2014	2.5
2015	3.1
2016	3.5
2017	4.0
2018	4.6

Source: Feedback Analysis, News Articles, Analyst reports, Annual reports and Primary research

National Skill Development Council (NSDC) – key governing body for vocational training in India

Trained: 2.1 Mn

Districts Covered: 605

NSDC Training Partners

Placed: 0.77 Mn

Sectors Covered: 38

Centers Covered: 11,035

- In FY 2017-18, NSDC Training Partners have trained 33% more candidates and placed 17% more candidates as compared to that in FY 2016-17.

- These trainings have been reported across 11,035 centers which is 20% higher than in FY 2016-17.

**44% of the total candidates trained in the year are from 10 Training Partners**

Others, 56%

Centum, 5%

Kherwadi, 4%

AISECT, 6%

Laurus, 3%

IL & FS, 7%

Don Bosco, 3%

TMI Group, 3%

ICA, 3%

BASIX, 2%

Labour Net, 8%

Source: NSDC

Key States that train students across segments

- **Top 5 States contribute 47% of the total trained candidates**

- **Sectoral contribution among top 5 states (Maharashtra – 0.26 Mn, Tamil Nadu – 0.2 Mn, Odisha – 0.14 Mn, Delhi – 0.14 Mn, West Bengal – 0.13 Mn) covered by NSDC Training Partners during FY 2017-18.**
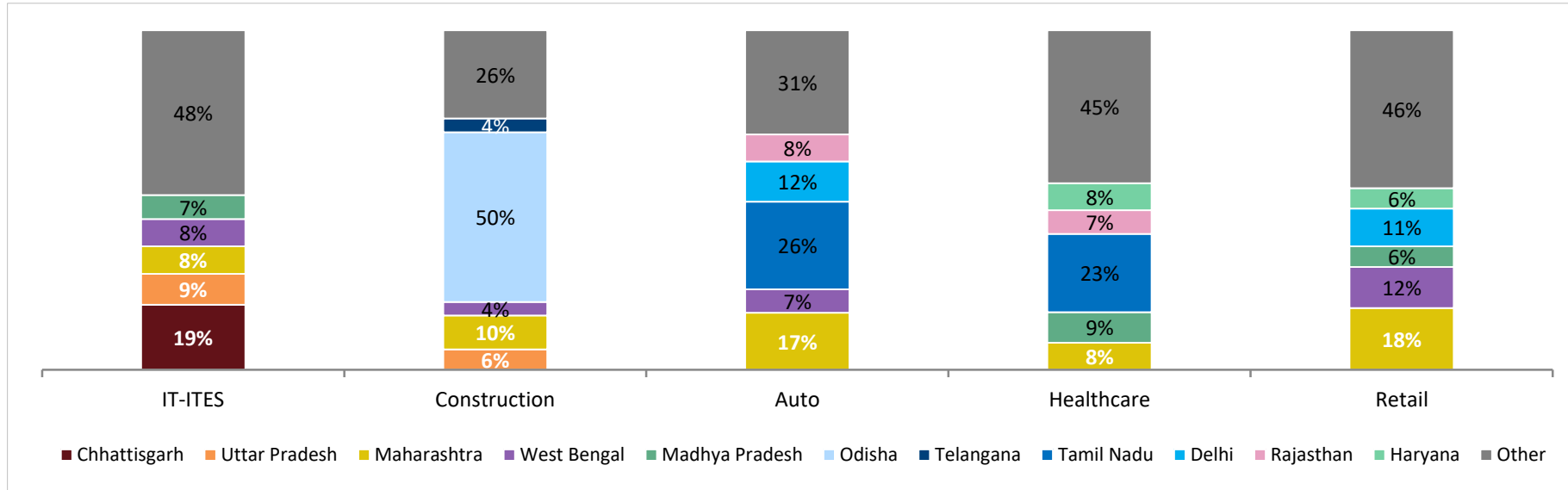
Top 5 Sectors – Trainings completed
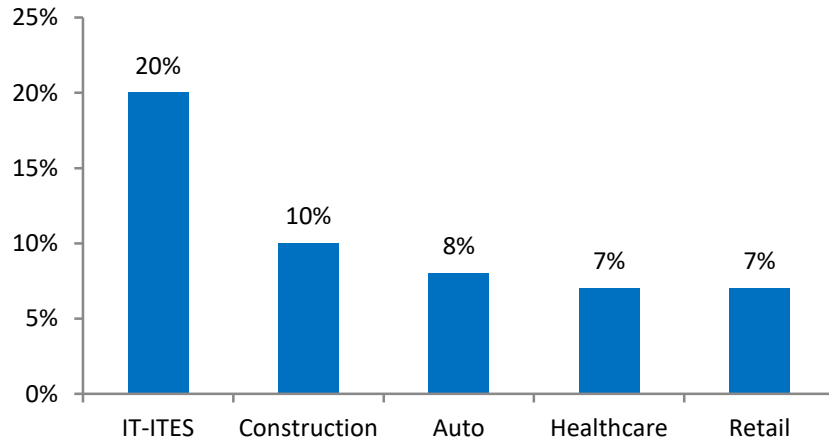
Top 5 Sectors - Placements
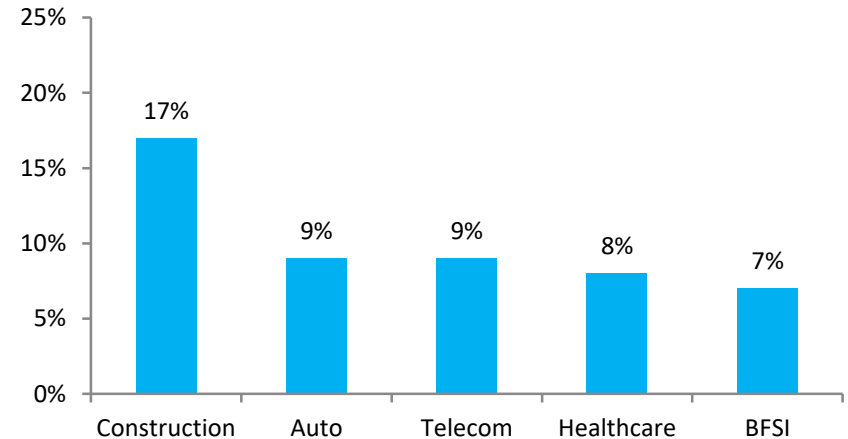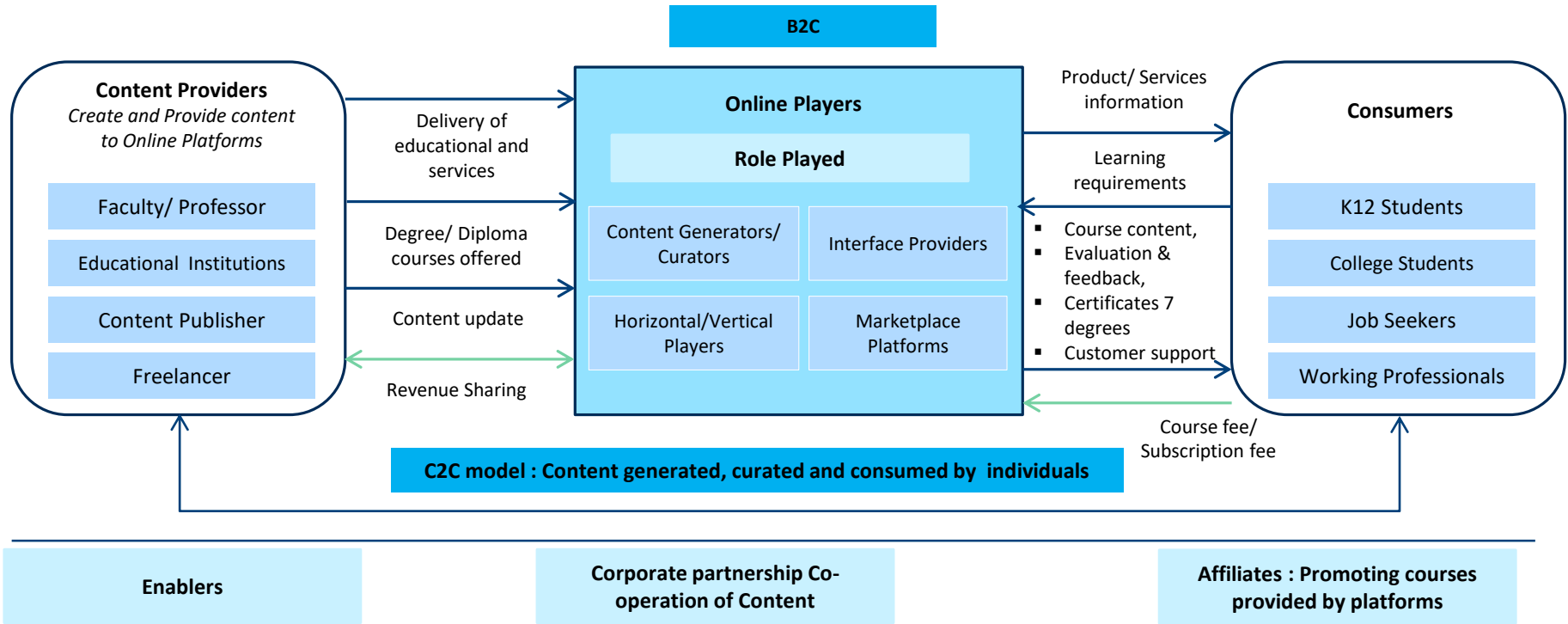

Source: NSDC

Key sectors for vocational training

- **Top 5 Sectors contribute 52% of the total trained candidates**

- **State wise contribution of top 5 sectors (IT-ITES – 0.38 Mn, Construction – 0.12 Mn, Auto – 0.15 Mn, Healthcare – 0.14 Mn, Retail – 0.13 Mn) covered by NSDC Training Partners during FY 2017-18.**

Legend: ■ Chhattisgarh ■ Uttar Pradesh ■ Maharashtra ■ West Bengal ■ Madhya Pradesh ■ Odisha ■ Telangana ■ Tamil Nadu ■ Delhi ■ Rajasthan ■ Haryana ■ Other

Source: NSDC

Overview of the online education ecosystem in India

B2C

Content Providers
Create and Provide content to Online Platforms

Faculty/ Professor

Educational Institutions

Content Publisher

Freelancer

Online Players

Role Played

Content Generators/ Curators

Interface Providers

Horizontal/Vertical Players

Marketplace Platforms

Consumers

K12 Students

College Students

Job Seekers

Working Professionals

Delivery of educational and services

Degree/ Diploma courses offered

Content update

Revenue Sharing

Product/ Services information

Learning requirements

- Course content,
- Evaluation & feedback,
- Certificates 7 degrees
- Customer support

Course fee/ Subscription fee

C2C model : Content generated, curated and consumed by individuals

Enablers

Corporate partnership Co-operation of Content

Affiliates : Promoting courses provided by platforms

Current Market Scenario

Consumption(Demand)

Current user-base for online education students and (ii) working professionals.

Volume-wise contributions of students and working professional differ across categories. Primary and secondary supplemental education category comprises of students only, whereas reskilling and online certifications category is dominated by IT professionals.

Test preparations witnesses a mix of both, with students as the dominant user-base.

Online Platforms (Supply)

Test preparation category has presence of multiple medium and small sized players, while reskilling and online certifications is dominated by large sized players offering a wide range of products offerings.

Players typically cater to both primary and secondary supplements education and test preparation categories simultaneously.

Product Offerings

Certain categories are dominated by standard courses, whereas others require adaptive, innovative course modules.

Higher education, reskilling and online certifications offer standardized product offerings resulting in a degree or certification

Primary and secondary supplemental education and test preparations categories require highly customized offerings.
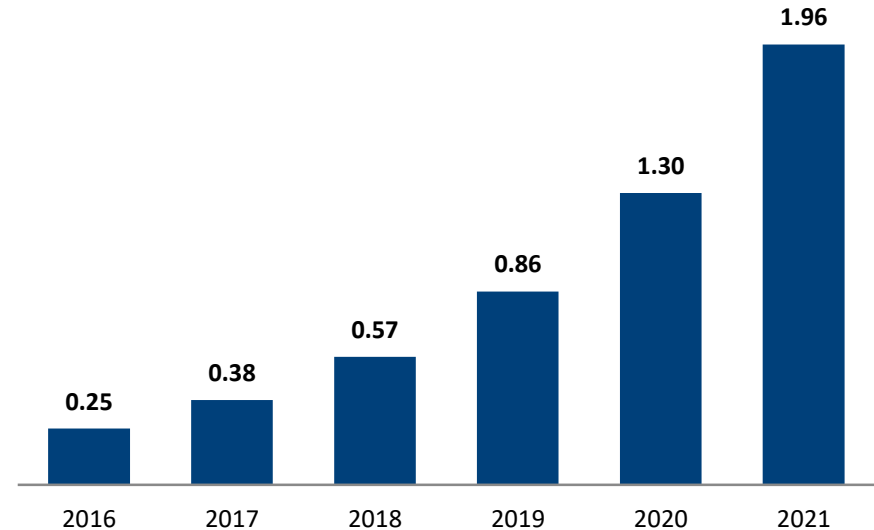
Online Education: Overview

Online Education : Brief

- Introduction of technology has led to enhanced acceptance of alternative modes of learning in India.

- India has witnessed a significant increase in the total internet user population from 2011 to 2016 with overall internet penetration of 31 per cent in 2016.

- Approximately 408 million internet users are expected to grow to approximately 735 million by 2021 presenting a positive future outlook for online business in India.

- This growth has also been supported by the exponential rise un number of smartphone users that reached around 290 million in 2016.

- The online education market in India is USD 247 million in 2016 with approximately 1.57 million paid users.

Online Education Market (FY 16-FY21)

Value : in USD billion

Year	Value
2016	0.25
2017	0.38
2018	0.57
2019	0.86
2020	1.30
2021	1.96

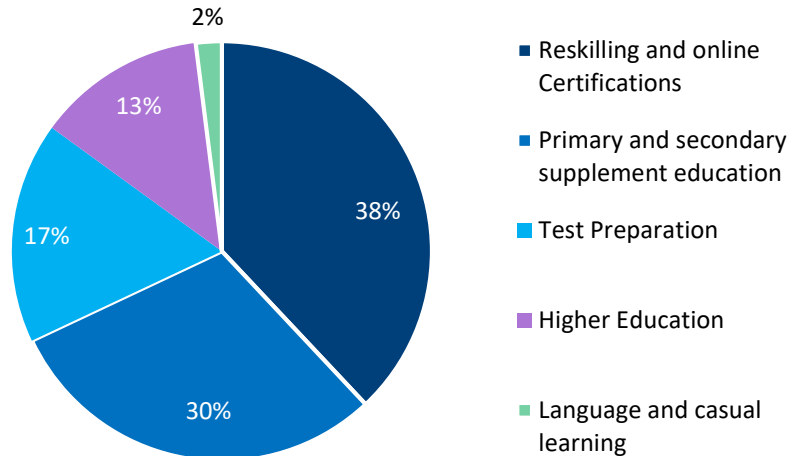*Source: Feedback Analysis, News Articles, Analyst reports, Annual reports and Primary research*

Online Education Market : Category Wise Share

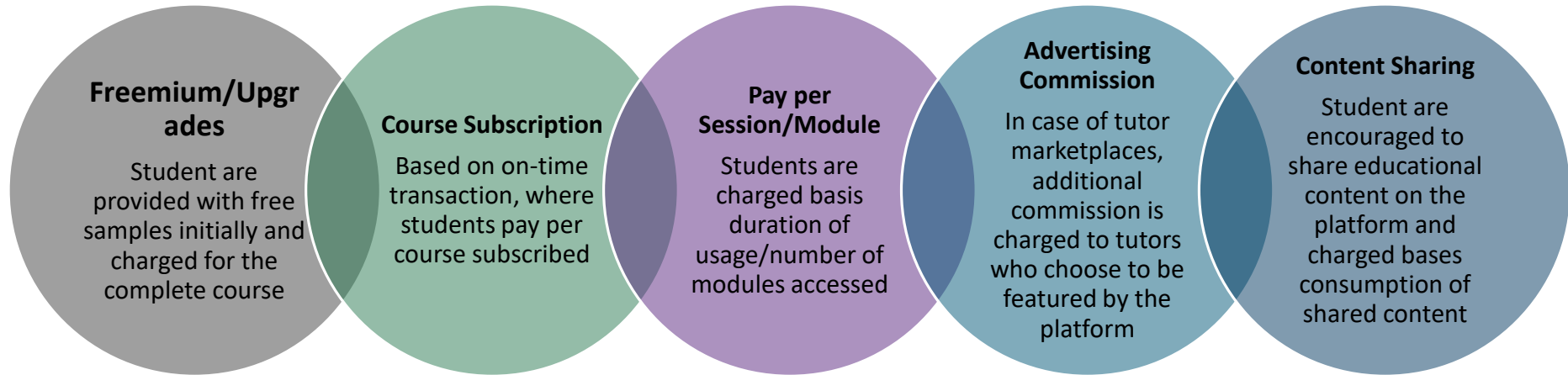| **Online Education Market : Category Wise Share** |
| --- |

- Reskilling and online certification courses is the largest category in the Indian online education industry, driven by IT professionals with a preference towards online trainings for skill development/ enhancement.

- Primary and secondary supplemental education is driven by the demand of quality for education. The Online channel provides a conducive educational avenues for these students who require focused, individual learning.

- Higher education is currently restricted by lack of clarity in regulations. A strong regulatory framework would make it a suitable substitute to distance learning programs and boost adoption.

- Online test preparation witnesses reasonable adoption from target students largely from tier 2 and tier 3 cities.

- Language and casual learning has significantly high user-base, but with a low paying subscriber base, the B2C revenue is limited.

Online Education Market : Category wise Share

Share in % (Base = 0.86

Pie chart legend:
- Reskilling and online Certifications — 38%
- Primary and secondary supplement education — 30%
- Test Preparation — 17%
- Higher Education — 13%
- Language and casual learning — 2%

Source: Feedback Analysis, News Articles, Analyst reports, Annual reports and Primary research

Revenue Models in Online Education

Freemium/Upgr ades

Student are provided with free samples initially and charged for the complete course

Course Subscription

Based on on-time transaction, where students pay per course subscribed

Pay per Session/Module

Students are charged basis duration of usage/number of modules accessed

Advertising Commission

In case of tutor marketplaces, additional commission is charged to tutors who choose to be featured by the platform

Content Sharing

Student are encouraged to share educational content on the platform and charged bases consumption of shared content

- In the current ecosystem, students are charged on the basis of type of courses/subscriptions and nature of access on the platform. In case of tutor marketplace., the content provider operate on a revenue sharing model, wherein a percentage of the subscription fees paid by students is deducted by the platform as commission.

Source: Feedback Analysis, News Articles, Analyst reports, Annual reports and Primary research

Regulatory System & Government Policies

Regulatory system in Indian education

Regulated Sector	Un-regulated Sector

Multiple agencies regulate higher education at the federal level in addition to those at the state government level. They are listed below.

University Grants Commission (UGC) – Governs Universities

- Coordination, determination and maintenance of standards in Universities
- Prescribe conditions that university / colleges must fulfil
- Provide funds to institutions of higher education

All India Council for Technical Education (Governs Technical Institutions)

Responsible for maintenance of technical education standards which include education research and training in:
- Engineering
- Technology (including MCA)
- Architecture
- Town Planning
- Management
- Pharmacy
- Hotel Management & Catering Technology
- Applied Arts and Crafts

Specialised Professional Bodies

Responsible for determining standards and granting approval for establishing institutes
- Medical Council of India
- Dental Council of India
- Indian Nursing Council
- Council of Architecture
- Bar Council of India
- Pharmacy Council of India
- Indian Council for Agricultural Research
- Central Council of Indian Medicine
- Veterinary Council of India

- There are a number of private companies operating in this sector, some of which are listed
- Provide education leading to award of a degree or certificate. They can be incorporated as a company, but are beyond the regulatory regime

Examples of such institutions include:
- Language Training
- Tutorials / Coaching
- Education Services Companies
- Content Providers
- Corporate Training
- Test Preparation and Administration

Source: Secondary Research

Education Sector Regulatory Map

K-12	Higher Education	Professional Education	Vocational Training	Skill Development	Other Educational Services
Comprises of Schools ▪ **Affiliated to Indian Board** ▪ **Affiliated to an International Board (IB)**	▪ **University** ▪ **College** ▪ **Distance Education** ▪ **Research**	▪ Technical Education ▪ Professional courses	▪ ITIs, ITCs, private vocational colleges	▪ Unregulated vocational courses (Language, training, finishing school)	▪ Tutoring ▪ Course content ▪ Multimedia ▪ Test preparations ▪ Infrastructure Books
Regulatory Control ▪ **Central & state government** ▪ **Affiliating Board (CBSE/ ISCE etc.)**	▪ **UGC** ▪ **AICTE** ▪ **State Laws**	▪ AICTE ▪ Statutory Authorities (BCII, MCI, NGI, DGI, DGCA etc)	▪ DGET ▪ Various ministries/ dept of vocational education	▪ Not Regulated	▪ Not Regulated
IB- Respective Board					
Choice of entity ▪ **CBSE-Society/Trust** ▪ **ISCE- Society/ trust/ section 25 Company** ▪ **States : Differs to states; Depending on respective Regulations**	▪ **Society** ▪ **Trust** ▪ **Section 25 co**	▪ Society/ Trust/ Section 25 Co. (AICTE & MCI recently allowed companies)	▪ Typically Society/ Trust if regulated ▪ Unregulated in certain trades	▪ Not Regulated	▪ Not Regulated
IB-Possible if State laws permit					
Some Additional Conditions	▪ **Minimum infrastructure requirements** ▪ **Fee may be regulated**	▪ Minimum infrastructure requirement ▪ Fee may be regulated	▪ Minimum infrastructure requirement	▪ Not Regulated	▪ Not Regulated

Source: Secondary Research

Governing Bodies for school curriculum

S.No	Curriculum bodies in India	Examinations conducted
1	**The state government boards**	▪ Class X and XII examinations
2	**The Central Board of Secondary Education (CBSE)**	▪ Education (CBSE) The All India Secondary School Examination (AISSE, Class X) and the All India Senior School Certificate Examination (AISSCE, Class XII)
3	**The Council for the Indian School Certificate Examinations (CISCE)**	▪ The Indian Certificate of Secondary Education (ICSE – Class X); The Indian School Certificate (ISC – Class XII) and the Certificate in Vocational Education (Class XII)
4	**The National Institute of Open Schooling (NIOS)**	▪ Secondary Examination and Senior Secondary Examination (All India) and also some courses in Vocational Education
5	**International schools**	▪ The International Baccalaureate Programme, the Cambridge International Examinations

Source: Secondary Research

Government initiatives on education sector

(1/2)

S.no	Scheme	Brief
1	**Union Budget**	▪ Outlay for the education sector is set at Rs85,010 crore (US$ 13.13 billion), as per Union Budget 2018-19.
2	**National Education Policy**	▪ The new National Education Policy (NEP) considers education as an utmost important parameter in the country. The NEP majorly focuses on quality of education as well as innovation and research in the sector. In November 2018, the National Education Policy Framework 2018 was launched. As on December 2018, New National Education Policy draft is ready and would be given to the central government says Mr. Prakash Javadekar, Minister of Human Resource Development.
3	**UGC (Online Courses) Regulations, 2018**	▪ The programme was started in April 2017 with funding from the World Bank to improve quality of technical education in 19 states of India and would run for three years.
4	**Atal Innovation Mission (AIM)**	▪ With an aim of promoting innovation and entrepreneurship among secondary school students in the country NITI Aayog, Government of India has launched the Atal Innovation Mission (AIM) ▪ In June 2018, 3,000 additional Atal Tinkering Labs were approved, taking the total number of labs to 5,441. ▪ In August 2018, Innovation Cell and Atal Ranking of Institutions on Innovation Achievements (ARIIA) was launched to assess innovation efforts and encourage a healthy competition among higher educational institutions in the country. ▪ The Government of India plans to install 10,000 ATLs by 2020
5	**Rastriya Yuva Sashaktikaran Karyakram Scheme**	▪ The Government of India has approved continuation of Rastriya Yuva Sashaktikaran Karyakram Scheme for the Period 2017-18 to 2019-20 with a budget of Rs1,160 crores (US$ 1.60 billion).

Source: Secondary Research

Government initiatives on education sector   **(2/2)**

S.no	Scheme	Brief
6	**Unnat Bharat Abhiyan**	• In August 2018, Government of India launched the second phase of 'UnnatBharat Abhiyan' which aims to link higher educational institutions in the country with at least five villages. The scheme covers 750 such institutions.
7	**Performance Grading Index**	• As of August 2018, Ministry of Human Resource Development, Government of India is developing a Performance Grading Index based on 70 indicators in order to boost education in all states and union territories of India.
8	**Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA)**	• The scheme was approved in February 2017, with the aim of providing digital literacy to 60 million rural households in the country by March 2019 • As of January 2018, more than 10 million candidates had been trained under the scheme.
9	**Prime Minister's Research Fellows Scheme**	• The scheme was approved in February 2018 under the Union Budget 2017-18, with the aim of improving the quality of research in the country by attracting the best talent. • The scheme has been approved for a period of seven years beginning from 2018-19 at a cost of Rs1,650 crore (US$ 254.9 million).
10	**Ek Bharat Shreshtha Bharat**	• In March 2018, EkBharat ShreshthaBharat (EBSB) was launched by Ministry of Human Resource Development, Government of India with the objective of promoting national integration through engagement between states, union territories, central ministries, educational institutions and general public.

Source: Secondary Research

Government Schemes for School Education   (1/4)

The Union Budget, 2018-19, has proposed to treat school education holistically without segmentation from pre-nursery to Class 12. Samagra Shiksha - an overarching programme for the school education sector extending from pre-school to class 12 has been, therefore, prepared with the broader goal of improving school effectiveness measured in terms of equal opportunities for schooling and equitable learning outcomes. It subsumes the three Schemes of Sarva Shiksha Abhiyan (SSA), Rashtriya Madhyamik Shiksha Abhiyan (RMSA) and Teacher Education (TE).

S.no	Features	Brief
1	**Holistic approach to education**	▪ Single Scheme for the School Education Sector from Classes I to XII- extension of interventions to senior secondary stage. ▪ Treat school education holistically as a continuum from Pre-school to Class 12 ▪ Supporting States to initiate pre-primary education ▪ Inclusion of senior secondary levels and pre-school levels in support for School education for the first time
2	**Administrative reform**	▪ Single and unified administrative structure leading to harmonized implementation ▪ Flexibility to States to prioritise their interventions under the Scheme ▪ An integrated administration looking at 'school' as a continuum
3	**Enhanced Funding for Education**	▪ The budget has been enhanced. ▪ Learning outcomes and steps taken for quality improvement will be the basis for allocation of grants under the Scheme.
4	**Focus on Quality of Education**	▪ Focus on strengthening Teacher Education Institutions like SCERTs and DIETs to improve the quality of prospective teachers in the system ▪ SCERT to be the nodal institution for in-service and pre-service teacher training – will make training dynamic and need-based. ▪ strengthening of Teacher Education Institutions SCERT/DIET/BRC/CRC/CTEs/IASEs. ▪ Annual Grant per school for strengthening of Libraries ▪ Almost 1 million schools to be given library grant .

Source: Secondary Research

Government Schemes for School Education (2/4)

S.no	Features	Brief
5	**Focus on Digital Education**	▪ Support 'Operation Digital Board' in all secondary schools over a period of 5 years, which will revolutionize education- easy to understand, technology based learning classrooms will become flipped classrooms. ▪ Enhanced use of digital technology in education through smart classrooms, digital boards and DTH channels ▪ Digital initiatives like Shala Kosh, Shagun, Shaala Saarthi to be strengthened ▪ Strengthening of ICT infrastructure in schools from upper primary to higher secondary level. ▪ "DIKSHA", digital portal for teachers to be used extensively for upgrading skills of teachers ▪ Enhanced Use of Technology to improve access and provision of quality education – 'Sabko Shiksha Achhi Shiksha'
6	**Strengthening of Schools**	▪ Emphasis on consolidation of schools for improvement of quality ▪ Enhanced Transport facility to children across all classes from I to VIII for universal access to school ▪ Increased allocation for infrastructure strengthening in schools ▪ Composite school grant increased and to be allocated on the basis of school enrolment. ▪ Specific provision for Swachhta activities – support 'Swachh Vidyalaya' ▪ Improve the Quality of Infrastructure in Government Schools
7	**Focus on Girl Education**	▪ Empowerment of girls ▪ Upgradation of KGBVs from Class 6-8 to Class 6-12 . ▪ Self-defence training for girls from upper primary to higher secondary stage ▪ Stipend for CWSN girls to be provided from Classes I to XII. – earlier only IX to XII. ▪ Enhanced Commitment to 'Beti Bachao Beti Padhao'
8	**Focus on Inclusion**	▪ Allocation for uniforms under RTE Act enhanced per child per annum. ▪ Allocation for textbooks under the RTE Act, enhanced per child per annum. Energized textbooks to be introduced. ▪ Allocation for Children with Special Needs (CwSN) increased from USD 42 to USD 50 per child per annum. Stipend of USD 2 – 3 per month for Girls with Special Needs from Classes 1 to 12. ▪ Commitment to 'Sabko Shiksha Achhi Shiksha'

Government Schemes for School Education

S.no	Scheme	Brief
1	**Mid-Day Meal Scheme**	▪ With a view to enhancing enrolment, retention and attendance and simultaneously improving nutritional levels among children, the National Programme of Nutritional Support to Primary Education (NP-NSPE) was launched as a Centrally Sponsored Scheme on 15th August 1995. ▪ In October 2007, the Scheme was extended to cover children of upper primary classes (i.e. class VI to VIII) studying in 3,479 Educationally Backwards Blocks (EBBs) and the name of the Scheme was changed from 'National Programme of Nutritional Support to Primary Education' to 'National Programme of Mid Day Meal in Schools'. The nutritional norm for upper primary stage was fixed at 700 Calories and 20 grams of protein. The Scheme was extended to all areas across the country from 1.4.2008. ▪ The Scheme was further revised in April 2008 to extend the scheme to recognized as well as unrecognized Madarsas / Maqtabs supported under SSA .
2	**Scheme for Infrastructure Development in Minority Institutes (IDMI)**	▪ DMI has been operationalised to augment Infrastructure in Private Aided/Unaided Minority Schools/Institutions in order to enhance quality of education to minority children. ▪ The scheme would facilitate education of minorities by augmenting and strengthening school infrastructure in Minority Institutions in order to expand facilities for formal education to children of minority communities. ▪ The scheme will cover the entire country but, preference will be given to minority institutions (private aided/unaided schools) located in districts, blocks and towns having a minority population above 20%,
3	**Scheme to Provide Quality Education in Madrasas (SPQEM)**	▪ SPQEM seeks to bring about qualitative improvement in Madrasas to enable Muslim children attain standards of the national education system in formal education subjects. The salient features of SPQEM scheme are : ▪ To strengthen capacities in Madrasas for teaching of the formal curriculum subjects like Science, Mathematics, Language, Social Studies etc. through enhanced payment of teacher honorarium. ▪ Training of such teachers every two years in new pedagogical practices. ▪ Providing Science labs, Computer labs with annual maintenance costs in the secondary and higher secondary stage madrasas.

Source: Secondary Research

Government Schemes for School Education   (1/4)

S.no	Scheme	Brief
4	**Vidyanjali – Sharing knowledge and education**	▪ Vidyanjali is an initiative to enhance community and private sector involvement in Government run elementary schools across the country under the overall aegis of the Sarva Shiksha Abhiyan. ▪ Vidyanjali will also cover initiatives under the Corporate Social Responsibility (CSR) and Public Private Partnership (PPP), with Public Sector Undertaking (PSU) Companies, private corporate and others.
5	**Web Based School GIS – bettering SSA and RMSA delivery and resource utilization**	▪ Web Based School GIS application is an initiative of the Department of School Education and Literacy, Ministry of HRD for seamless visualization of school locations across the country. This is powered by NICMAPS.
6	**Shala Darpan – Monitoring and tracking students' progress in schools**	▪ Under Shala Darpan, launched by Kendriya Vidyalaya, the parents were allowed to keep a watch on their child's presence at the respective classrooms. They could also check their performance in the class and the teachings given to them. ▪ The HRD ministry initiative will be in the lines of Shala Darpan, which will help the ministry to keep track of the enrolment of students to various schools. They will also keep track of their progress in the school and report of the students when they move to another class.
7	**ePathshala – NCERT's push for digital books and note taking**	▪ The Digital India campaign has promoted extensive use of ICTs in the teaching learning process based upon the fact that mobile and technology can reach where sometimes even humans can't. ▪ ePathshala is a joint initiative of Ministry of HRD, Govt. of India and National Council of Educational Research and Training (NCERT) and will be disseminating all educational e-resources including textbooks, audio, video, periodicals, and a variety of other print and non-print materials.
8	**CBSE's Saransh portal and mobile app – connecting schools and parents**	▪ Saransh is a tool for comprehensive self-review and analysis for CBSE affiliated schools and parents. It enables them to analyse students' performance in order to take remedial measures. Saransh brings schools, teachers and parents closer, so that they can monitor the progress of students and help them improve their performance.

Source: Secondary Research

Market drivers and trends

Key growth drivers

Increasing awareness for higher education

- Increasing awareness for higher education in India is driving private college enrolments.

- Increasing disposable incomes and willingness of people to spend on education is a key driver for the Indian education industry

- Increasing no. of enrolments, large no. of courses offered and higher fees, increasing willingness to spend on quality education, growth of services sector, more women-oriented courses and increasing awareness of education as a driver of prosperity

Growing prospect for Students

- Many institutions are focusing on a multi-disciplinary approach, along with diversity and inclusion, to drive private education in India.

- There is a small but steady growth in programmes and universities focusing on such an education, with many Asian leaders and educators investing in them. The long-held belief that Asian students and parents would not see value in such an education has been overturned, as institutions like NUS in Singapore and Ashoka University in India showed the steady increase in enrolments.

- This interweaving of disciplines and blending learning between the sciences and arts has also resulted in better prospects for students.

Specialised degrees gaining popularity

- With more and more students opting for industry focused qualifications, the demand for specialised degrees is picking up.

- Most of the universities are offering MBA/Technical degrees with focus on specific sectors.

Multi campus model gaining popularity

- Many private institutions are adopting multi-city campus model to scale up their operations and expand in the untapped market of tier 2 and tier 3 cities.

Source: Secondary Research

Key trends

Tutor marketplace

- Platforms enabling students to meet relevant tutors in online./offline mode is gaining increased acceptance

- This model witnesses string traction from tier 2 and tier 3 cities.

Freemium model

- Access to free content on the platform to provide an experience is driving adoption of freemium model, resulting in a rise in paid subscriptions among players.

Video Content

- Students report higher satisfaction to video based content.

- Around 60% of online users indicate preference for video content on these platforms.

Emergence of international school segment

- With increasing awareness, private Indian players are collaborating with international brands to provide international standard quality education

Growing Private players

- The contribution of the private sector to increase the standards and quality in school education has been significant. As a result, 25% of all schools in India are private schools accounting for 40% share in enrolment. The number of private schools has grown at a CAGR of 4% in the last five years much faster than the growth of public schools. Contribution to access and quality has resulted in enrolment shift from public to private schools in the recent years.

- K-12 private schools today operate across a vast range of curriculums and boards. Key indicators that make them preferential today are the process of ongoing and continuous evaluation, comprehensive curriculum and syllabi based on practical applications, assessments based on interactive, skills and fun based learning which has led to better learning levels and quality of school education.

Source: Secondary Research

Technology growth in education sector

Increasing use of technology

▪ Technology is expected to be the biggest growth driver in improving the quality of education in India. The government is in favour of integrating technology into education – encouraging most educational institutions to migrate from blackboards to digital boards.

▪ Schools are investing in information and multimedia education technologies to provide better education to students.

▪ Byju's, the mobile learning startup, is expecting a billion dollar evaluation, on the back of increasing use of the app by students. More than 400,000 students are using the app currently, ranging from K-12 students to students preparing for competitive exams. In January 2019, the company acquired US based learning platform Osmo for US$ 120 million to drive its plans of international expansion.

▪ Market size of digital publishing for education sector in India has increased at a CAGR of 5.29 per cent year- on-year to US$ 356 million in 2017 from US$ 305 million in 2014.

Online Learning Alternatives

▪ Depending on the age of children and their learning scope, having an online learning option can be a better fit. This is a trend that has gained traction in higher education and professional development, and is finally become more of an opportunity in the K-12 environment.

▪ Whether a child is home-schooled or in an alternative program, online learning can help with technology skills, time management, and collaboration through online communities and forums when it comes to group work, tasks, and projects.

Truly Educational Gaming

▪ There have always been educational games for students to play at home or in school, but these days that variety and accessibility is growing rapidly.

▪ Educators hoping to increase interest in subjects like math, history and science have begun bringing games into the classroom, allowing students to play while they learn.

Source: Secondary Research

Emergence of online education

Online education provides a low-cost alternative

- Increasing awareness for higher education in India is driving private college enrolments.

- Lower infrastructure cost and a larger student base helps leverage on the economies of scale and hence reduced prices vie the online channel.

- ~175 percent increase in cost of education from 2008-2014.

- Online skill enhancement courses are around 53 percent cheaper than offline alternatives.

Online channel provides quality education to potential students

- Many institutions are focusing on a multi-disciplinary approach, along with diversity and inclusion, to drive private education in India.

- Open courses and distance learning enrolments in India to rise to around 10 million in 2021 growing at a CAGR of around ten percent.

- Areas where availability of quality offline education is low witness higher adoption of non-traditional education methods.

Growing job seeking population drives the demand for industry relevant training

- Technology is expected to be the biggest growth driver in improving the quality of education in India. The government is in favour of integrating technology into education – encouraging most educational institutions to migrate from blackboards to digital boards.

- ~280 million job seekers expected to enter job market by 2050

- Unemployment rate in India at a five year high of around five percent in 2016.

- Annual growth rate in availability of jobs at around two percent per annum.

Source: Secondary Research

International collaborations – Recent events

- In order to meet the need of today's demanding students who seek international exposure, many Indian universities and colleges have entered into joint venture agreements with international universities to provide world class education.

- In January 2019, US universities visited India for the first US-India Knowledge Exchange (USIKE) and interacted with institutions and government representatives to encourage collaborative research and innovation in various fields between the two countries.

- In April 2018, Government of India and France signed an agreement to facilitate Mutual Recognition of Academic Qualifications between the two countries.

- Microsoft India hosted first 'Education Day 2018' event in India on December 2018.It was a two day event where students and over 220 educators came together to show case their work and innovations.

Source: Secondary Research

Investments & road ahead for the education sector

Key Investments in Education Segment

- **100% FDI** (automatic route) is allowed in the education sector in India

- The Government of India has taken initiatives like National Accreditation Regulatory Authority Bill for Higher Educational and the Foreign Educational Institutions Bill

- The total amount of Foreign Direct Investment (FDI) inflow into the education sector in India stood at US$ 2.21 billion from April 2000 to December 2018, according to data released by Department of Industrial Policy and Promotion (DIPP).

- The education and training sector in India has witnessed some major investments and developments in the recent past. Some of them are:

  - Indian education sector witnessed 18 merger and acquisition deals worth US$ 49 million in 2017.

  - Of all the startups in India, 3,500 are catering to the education space. These startups received close to US$ 700 million funding in 2018.

  - The Ministry of Human Resource Development, Government of India is also planning to raise around Rs 1 lakh crore (US$ 15.52 billion) from private companies and high net worth individuals to finance improvement of education infrastructure in the country.

  - India has signed a loan agreement with World Bank under 'Skills Acquisition and Knowledge Awareness for Livelihood Promotion' (SANKALP) Project to enhance institutional mechanisms for skills development.

  - Singapore is going to open its first skill development centre in Assam, which will provide vocational training to youth in the region.

Source: Secondary Research

Road ahead for education sector in India

- In 2030, it is estimated that India's higher education will:

  - Adopt transformative and innovative approaches in Higher education.

  - Have an augmented Gross Enrolment Ratio (GER) of 50 per cent

  - Emerge as a single largest provider of global talent, with one in four graduates in the world being a product of the Indian higher education system.

  - Be among the top five countries in the world in terms of research output with an annual R&D spent of US$ 140 billion.

  - Have more than 20 universities among the global top 200.

- Various government initiatives are being adopted to boost the growth of distance education market, besides focusing on new education techniques, such as E-learning and M-learning.

- Education sector has seen a host of reforms and improved financial outlays in recent years that could possibly transform the country into a knowledge haven. With human resource increasingly gaining significance in the overall development of the country, development of education infrastructure is expected to remain the key focus in the current decade. In this scenario, infrastructure investment in the education sector is likely to see a considerable increase in the current decade

- The Government of India has taken several steps including opening of IIT's and IIM's in new locations as well as allocating educational grants for research scholars in most government institutions. Furthermore, with online modes of education being used by several educational organisations, the higher education sector in India is set for some major changes and developments in the years to come.

Source: Secondary Research

Thank You

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