

**What leading
edtech companies
say on
funding winter,
layoffs, revenue
and other
key metrics**

I would say that whole startup funding scene is going through a rough patch not only Ed-Tech because of economic slow down but thankfully we have not witnessed any of this thing - our business is more stronger than ever.

Essentially PW has ushered-in an era of democratization in edtech - so the slowdown is in expensive edtech offerings that totally miss out on tapping BHARAT. Our paid learner onboarding has been 3x since last financial year and we have been growing in team size each week now standing at 2500+ employees, i.e. 10x of what it was last year this time and instead of laying off we are the one absorbing the talented people who are being laid off due to this unfortunate circumstances.

Indeed the pandemic was a catalyst for the edtech but even now that the pandemic is behind us hopefully - our growth levels have spurted beyond our projections - PW is currently at a 4 times ARR compared to FY-22 maintaining high profitability levels. Post the pandemic the coaching modality has surely seen an inclination towards offline model as well.

We sensed this and expanded our capabilities of our hybrid offline model -PW Pathshala - which now has closed 20K+admissions across PAN-India 22 centres - AND we were agile enough to swiftly launch our pure offline offering which is the "PW Vidyapeeth" having mega centres at Kota, Patna, Janakpuri, Kalusarai, Kanpur, etc. In its very 1st year PW-VIDYAPEETH has become the 2nd largest offline ecosystem at kota with the highest daily admission run-rate - 4th largest at an India level. We have already closed 3 phases of admissions & because of the huge student influx we are opening-up the 4th phase now. In FY-23-24, PW shall surely be mentoring 2 Lakh+ students for IIT/NEET solely from its VIDYAPEETH business.

All our key metrics have witness more than 3X growth - MAU(3x), Paid Learners,(3X) YT viewership(5X more), Revenue Run Rates(4X) - so cant complain!!

We saw a 6x growth in terms of free learners from FY-21 to FY-22 and our paid user funnel has also 3X in the same time.

We have achieved all this without touching investors money (that lies ideal in bank account)

REVENUE: 900-1000CR IN FY22-23



Eruditus



ERUDITUS
EXECUTIVE EDUCATION

Should not categorize or generalize as each business is different. We raised \$450M primary capital in our Series E last year which put us in a strong position where we do not need to raise funds. With the uncertainty in the external market conditions we're committed to growing our organization sustainably and responsibly," said Eruditus founder.

We grew 100% YoY last year. This year we expect to grow 80% YoU. So growth momentum is strong in our category of higher education unlike K12 or test prep.

This year we'll reach 250k learners in 200 countries around the globe.



Ashwin Damera
Founder
Eruditus

LEAD



LEAD is in the School EdTech segment, which is very different from Consumer Edtech. In fact, with schools across India now open again and students back in physical classrooms, the School Edtech segment is poised for accelerated growth. With ~470000 affordable-private and low-fee schools across India, the School Edtech sector holds great potential for double bottom line organizations such as LEAD, which has grown from 135 schools prior to the pandemic, to over 3500 schools today.

LEAD is bringing innovation and transformation to these institutions and helping them thrive, thereby improving learning outcomes and building student confidence levels. LEAD currently serves over 1.4 million students across India's small towns. We will soon be launching additional products that seek to further strengthen our leadership position in School EdTech.



Spokesperson
LEAD

Scaler

India's booming edtech market has witnessed multiple startups and increased funding during the pandemic. Apart from the slowdown in education due to Covid, the growth in the higher education sector was mainly due to existing skills becoming increasingly redundant, job creation lagging behind new additions to the workforce and witnessing a mismatch between industry requirements versus the education curriculum in colleges. The ed-tech sector has created thousands of jobs in India and helped massively mitigate the job crisis during the COVID-19 pandemic. The industry has seen a significant influx of investments, with multiple projections predicting exceptional growth in the coming years. The last year has been unprecedented for startups in terms of funds raised, valuation milestones, and the number of unicorn valuations. After a year of plentiful liquidity, a rise in inflation and interest rates has had an adverse impact. The startups dependent on the high burn for expansion or those unable to raise enough capital would struggle the hardest. While breaking the vicious cycle of cost-cutting, falling business KPIs, poor investor interest, and talent flight can get tricky, today's startups are resilient. The ecosystem has experienced similar challenges, and we will see that it will emerge unscathed.

We launched Scaler in April 2019. By December of that year, we had received over 200,000 applications, and 2,000 students had joined the Scaler Academy program.

In January 2020, we raised \$20M in funding, one of the largest Series A financings in the education sector. Sequoia Capital India, Global Founders Capital, Tiger Global and others participated in the funding. By December 2020, over 100 Scaler alumni were working with Amazon and 7 with Google. 95% of our placed learners got jobs with their aspired companies. Overall, Scaler alums were working for 400+ unique technology companies across the globe. From a business point of view, we witnessed a 200 per cent growth in revenue, supported by a 3X increase in employee strength.

2021 was the year of significant growth, and we built on our leadership and marketing teams by recruiting the right talent that would help us expand. We launched the flagship Data Science and ML program. We acquired two edtech companies - Coding Elements and Coding Minutes - which allowed us to strengthen our product offerings and tech capabilities. We ended the year with 700 employees and more than 8,500 learners.

In February 2022, the Series B funding of \$55 million was completed. It was led by new investor Lightrock India and two existing investors, Sequoia Capital India and Tiger Global. With this fresh round of funding, the total capital raised now stands at \$76.5 million, with a valuation of \$710

million. Scaler also acquired another ed-tech startup, Applied AI, in March 2022. We are currently at 1600+ employees and are positive for both cash flow and EBITDA. We have also earmarked \$50 million for acquisitions from April 2022 to March 2023.

At the end of 2021, we had about 8500 active learners for our upskilling courses. As we remain focused on bridging the skills gap in Software Development, Data Science, Machine Learning, AI, and Data Analytics with our two upskilling programs, we have surpassed the 16000 mark for active learners. We are onboarding more than 2500 learners every month, and since April 2019, we have onboarded and helped upskill 25,000+ learners cumulatively.



Abhimanyu Saxena
Co-founder
Scaler and InterviewBit

Leap

In the last couple of years, India has seen a large chunk of students move abroad for education. Indians spend more than \$25 billion annually on overseas education. Globally, the spending is already over \$200 billion and is poised to grow over 10% each year and so it's a very big opportunity with no signs of any slowdown. Raising capital has never been a challenge for us and has more to do with fast-tracking our growth and scaling our products across geographies. We continue to witness exceptional growth on all fronts with more and more students aspiring to make their study abroad dreams a reality. With a community of over 2 million study abroad aspirants, Leap helped over 175,000 students move abroad in the past 12 months. Recently, we started our global expansion plans with the Middle East, and subsequently we aim to expand across South East Asia, South Asia and North Africa.



Vaibhav Singh
Co-founder
Leap

upGrad

Online education is no longer playing a second fiddle to its offline counterpart and neither pandemic offered us any tailwind to us. We at upGrad are obsessed with driving career outcomes for our learners and therefore, we make sure we create outcome-driven course modules which are combined with Masterclasses, Bootcamps, Capstone Projects, 1:1 mentorship with industry leaders, and assignments for enhancing the skill sets which can be directly applied on the field.

Our strong university network both in India and overseas which also includes the Ivy Leagues on the portfolio has helped us cement our stature as the LifeLongLearning partner for millions across 100+ geographies. While our MBA vertical has grown significantly, the Global MBA program with Liverpool Business School has emerged as the bestseller during JFM'FY22. It saw a growth of 250% during Q4 this years as compared to the same time last year.

During FY22 upGrad learners have broken the annual CTC threshold of 1 crore+ after pursuing the online program for in-demand courses like Machine Learning, AI, and Data Science. Another upGrad learner who had to prioritise family over her professional journey is currently serving as C&ORC Data Analyst at a multinational Investment bank and had bounced back into the workforce after 3 years of career sabbatical. She pursued the online Executive Program in Data Science with upGrad's university partner IIIT – Bangalore which helped her strengthen her subject/domain knowledge, and enabled her with evolved industry skills for enhanced career transition.

We at upGrad, had doubled our learner base to 1 million in ten months (by January 2021) and had set a target of crossing the 2-million mark in 18 months since then, but we achieved the same in just eight months. Owing to our commitment of driving meaningful career outcomes, we are now a family of 3M+ learners who are located across 100+ countries.



Mayank Kumar
Co-founder and MD
upGrad

Classplus

Most edtech cos went through an operating shift when Covid first came and as the world comes back again, there is again an operating shift. + there is always cyclicity in the market sentiments and the truest nature of a startup comes to the fore when they navigate such shifts while keeping their biz steady. I think every co has a different style to responding to he new normal and is reflective of what choices and growth they want to pursue

The second wave was an accelerated growth for many segments and Edtech was one of them. Now, as the new normal of online + offline sets in, we see a positive, but relatively milder growth rates across all such segments. But this will compound and be a great story a decade down the line as some of these are positive and irreversible consumer changes

Grew 4x - 6x - 4x (the three phases. Annual yoy growth of overall biz)

The number of learners grew by ~7x in the last 24 months



Mukul Rastogi
Founder
Classplus

LeverageEdu

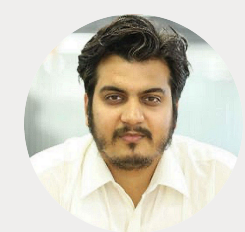


Believe this depends company to company; we at LeverageEdu have always been valued from day 0 on fundamentals, across every financing round including the Series B earlier this year. Two, we haven't laid off even a single person, and are out in the market to hire about 250 people, which will take our strength to 1500. That said,

“We do definitely see a 10-12% quarterly attrition, and are largely okay with it unless it's someone who has spent 6 months+ in the company / and that tenure correlates to their performance. Lastly, in study abroad, our worst days were during the pandemic, when no flights were heading out, when we lived with zero revenue for multiple quarters - so yes, today, when consumer demand is at an all time high, I do not consider it to be my winter,”

Akshay: Again, this was absolutely the opposite for us. During the pandemic, we were just focused on building new products for students, more relationships with Universities, etc etc. Only once the pandemic slowed down, countries across the world opened their borders, that our growth started to rocket up!

Akshay: I can give you funny metrics but we try and restrain from that in the way we are building this company. So: we closed our books at ₹12.5 Cr revenue in FY 21, have closed at just over ₹40 Cr in FY 22, & are targeting to cross ₹100 Cr in FY 23. While the ARR isn't the most apt metric for ed-tech, given it's common parlance: we will exit next summer with over a \$50Mn ARR. On a # student comparison, pre-COVID in Dec 2019, we served just over a 100 students, & right now, we are serving over 3500 students every single month. 25 percent of all our acquisition is organic, highest in our space.



Akshay Chaturvedi
Founder & CEO
LeverageEdu

Teachmint

We are seeing great demand for digitization from schools and educational institutions across India as well as emerging markets. Schools reopening offline puts an even brighter spotlight on 'infrastructure innovation' and we expect the awareness and adoption of education-customized software solutions to grow even more. We strongly believe that schools are central to driving transformation and impact in the education ecosystem and, at Teachmint, our singular focus is to enable them to integrate technology into their operations and simplify every aspect of school management. Since its launch last year, our 'integrated school platform' has been used by over 10,000 schools and institutes across 30+ countries.

In the near term, we are focused on deepening our product offerings and expanding our geographical reach while building high performance teams across product, tech, design and operations.

Teachmint facts:

- Company Inception: May 2020
- 10,000+ schools and institutes served
- 1.5+ crore teachers and students served
- 30+ countries



Mihir Gupta
CEO & Co-Founder
Teachmint Group

Cuemath

We at Cuemath recently announced a fundraise of USD 57 million, at a valuation of USD 407 million – a more than 2X jump in valuation. Cuemath's new funding round is a positive change in the industry in terms of the investment size and investor participation. Our funding comes at a time when valuations have become more realistic with rationalization hitting the market, and the industry is dealing with an employability crisis. We believe only those growth-stage start-ups with solid business fundamentals can now establish trust with VCs. Therefore, the positive inbound interest from all our existing investors validates Cuemath as a knowledge expert in the global after-school math tutoring market and signals acknowledgment of the developments over the past few quarters.

Cuemath has shown promising growth since the last funding. Product innovation and personalization coupled with a low Capex model augmented our global scale-up and beefed our conversion rates by 3X. With the best-in-class retention and acquisition engine, we have created a powerful combination of a sustainable and scalable business model.

Edtech became India's third most funded sector, attracting \$4.7 bn in 2021, with the industry's market size expanding to \$2 bn. However, times have changed post-pandemic. The sudden Edtech boom followed an exponential downfall as schools reopened and companies announced mass layoffs. The expectation of ambitious growth in the post-pandemic era has eluded Edtech brands owing to the fall in demand, leading businesses to revisit their business models.

Many Edtech companies failed to shift their approach and challenge themselves as market demands changed. However, those Edtech companies that focused on student learning outcomes during the lockdown felt less pain as the back-to-school era impacted the industry.

As students continue to adapt to new learning mediums, finding a quick fix for long-term problems will not result in the success that Edtech brands desire. The current market trend demands businesses to plan like a test match instead of a T-20 game.



Vivek Sunder
CEO
Cuemath

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