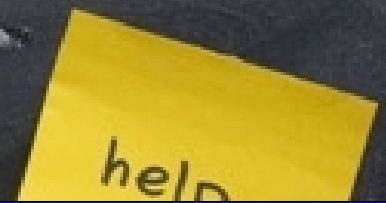


$$3x + 5 + 2x = 12 + 4x$$

$$(3x + 2x) + 5 = 12 + 4x$$

$$5x - 4x + 5 = 12$$

$$x + 5 =$$



Executive Summary

Market

- Coaching class market in India is highly fragmented and regional in nature
- Coaching class market worth USD XX bn in 2008; expected to grow to USD YY bn by 2012
- Market is divided into two parts – Private tuitions market and entrance test prep market
 - Private tuitions makes up x% of coaching class market but has limited potential to scale due to high dependence on reputed local teachers
 - Entrance test prep market is growing as this segment is process driven and easy to scale up

Drivers & Challenges

- **Drivers:** High propensity to spend on education, growth in double income nuclear families, high teacher-pupil ratio in schools and increase competition at graduation and post-graduation level
- **Challenges:** Person centric business, lack of government and financial support and change in entrance test pattern

Trends

- Coaching institutes are diversifying into mainstream education and opening pre - schools, K12 schools, B-Schools and vocational training institutes
- PE/VC firms also investing in coaching institutes with the capacity to scale operations
- Institutes increase focus on online presence as demand for online tutoring picks up in India
- Demand for correspondence coaching materials also increasing

Competition

- Few players like AA have been able to scale up operations in fragmented tuition segment
- Incumbent players like BB, CC. have y% market share in MBA test preparation space



- **Market Overview**
- Drivers & Challenges
- Trends
- Competition
- Key Developments

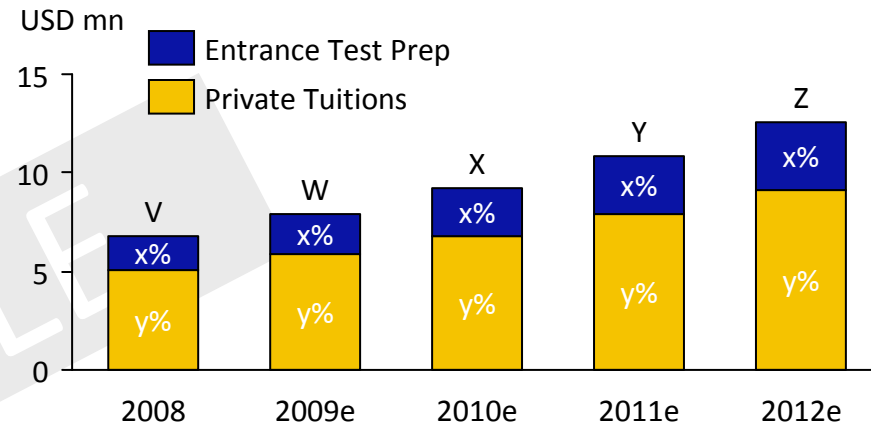


Coaching class market is highly fragmented and regional in nature

Overview

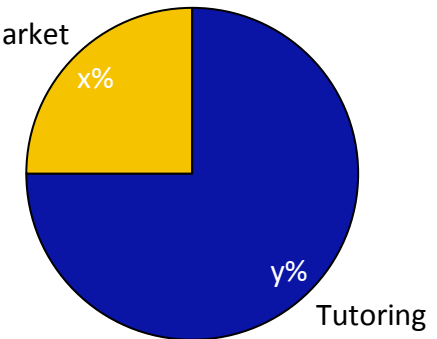
- Coaching classes accounts for major share of the informal education market in India
- Coaching classes are a prominent feature in India that complements the mainstream education system
- Estimated worth USD XX bn in 2008 with high growth potential
- Market is highly fragmented and regional or localized in nature
- Comprises of two segments:
 - **Private Tuitions** targeted primarily at students in Grade 5 - 12
 - **Entrance Test Preparation Market** targeted at:
 - Graduatelevel (engineering, medical, BBA etc)
 - Post-graduation level (MBA, GMAT, GRE etc)

Coaching Class Market (2008-2012e)










Coaching Class Market Break-up (2008)

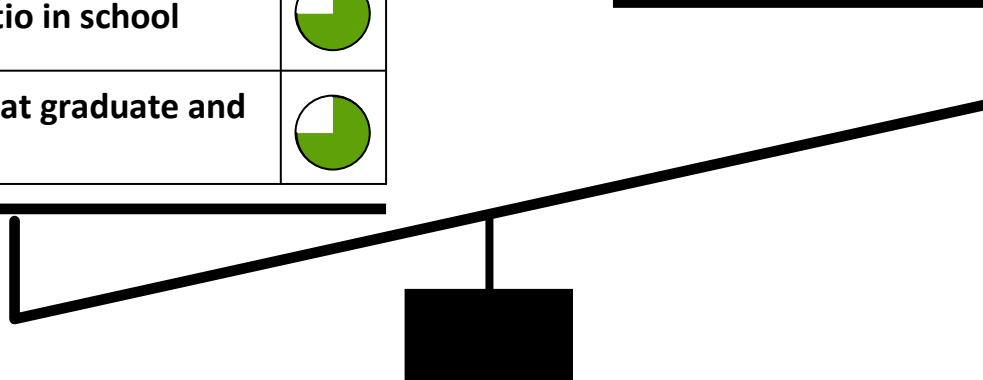
Entrance Test Prep Market



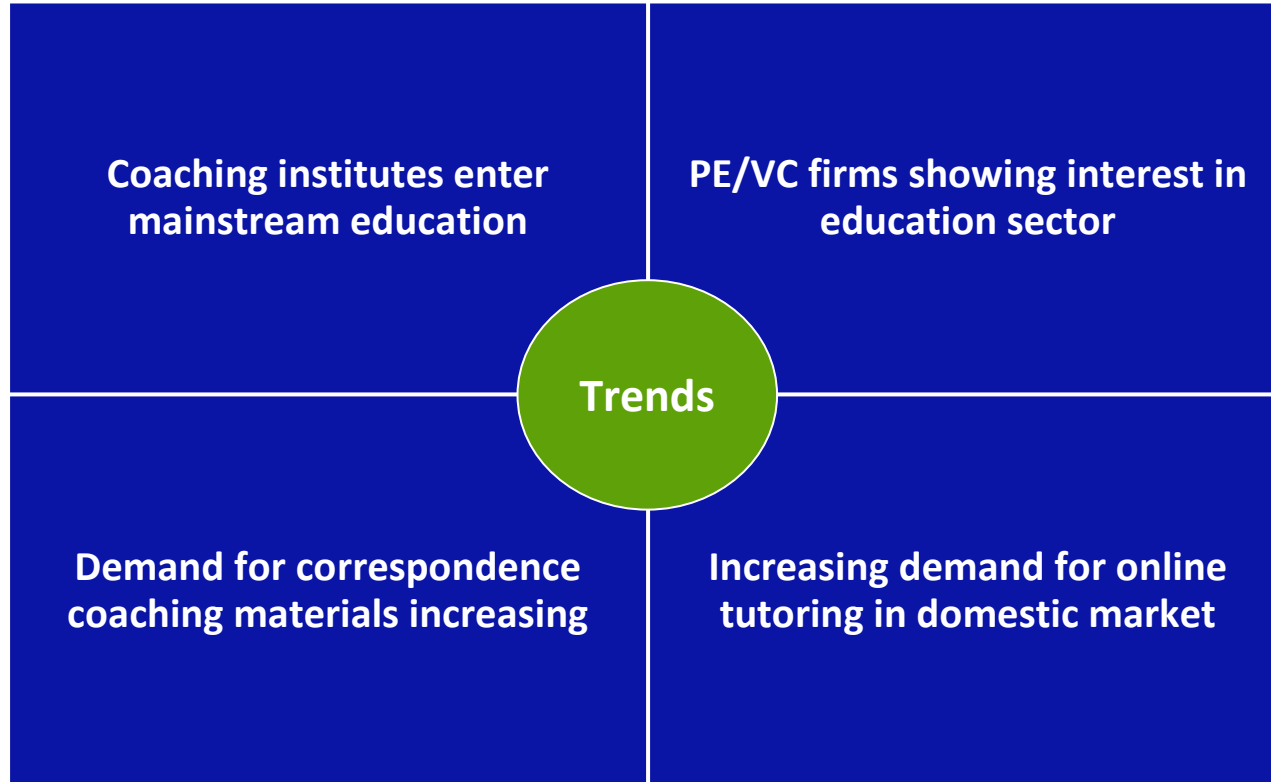
Drivers and challenges

Drivers	
High propensity to spend on education	
Growth in double income nuclear families	
High teacher-pupil ratio in school	
Increase competition at graduate and post-graduate level	

Challenges	
Person – centric business	
Change in entrance test pattern	
Lack of government and financial institutions support	



Key Trends



Private tuitions market is highly fragmented with limited organized players

ABC Ltd

- **Overview:** Started in 19-- and currently has x centers and y teachers. Cope of operations limited to Maharashtra with small presence in South India, Gujarat and one center in Dubai.
- **Business Model:** ABC Ltd is primarily in subject based tutoring across school and college level. The company follows both owned and franchisee based model
- **Financials:** Recorded revenues of INR -- mn and plans to increase to INR -- mn by 2010
- **Expansion Plans:** ABC Ltd plans to grow organically within Maharashtra and inorganically outside the state in the tuitions segment. Company has also entered mainstream education by opening x owned preschools and plan to scale up through franchisee route

Other Key players in Private tuition market (including online tutors)

Institute	History	Current network	Business Focus
AA	Started in 19--	-- centers	• Private tuitions for schools. Also present in test prep market
BB	Started in 19--	-- centers	• Coaching for Commerce Stream. Specialized in CA/CS coaching
CC	Started in 20--	Online	• Charges USD X/hr. ~xx tutors
DD	Started in 20--	Online	• In 20--, ABC acquired x% stake • Online tutoring for school and test prep.
EE	Started in 20--	Online	• Online tutoring for college and graduate level programs in over 30 subjects • Employs over AA tutors. Charges US\$ X/month for unlimited tutoring

Source:



Thank you for the attention

The Coaching Classes report is a part of Research on India's Education Industry Series. For more detailed information or customized research requirements please contact:

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