



Impact study of EdTech in India: Driving innovation & creating opportunities

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Executive summary

The Indian EdTech sector stands at the intersection of education, technology, and economic growth. In India where over 65% of the population is under 35 years of age, EdTech platforms are redefining how education is accessed, delivered, and experienced. With a market valued at USD 7.5 billion in 2024 and projected to reach USD 29 billion by 2030, the sector's journey highlights its transformative potential and resilience in the face of challenges.

A decade of growth and resilience

The EdTech industry has grown significantly over the last decade, driven by rising aspirations, expanding digital infrastructure, and a cultural shift toward online learning. From offering basic test preparation courses to creating immersive, skill-oriented, and personalised learning experiences, EdTech has become a cornerstone of India's knowledge economy.

This growth has not been without its challenges. Funding in the sector has seen fluctuations, particularly after the pandemic boom. Yet, the industry's ability to adapt—by focusing on hybrid learning models, regional content customisation, and skill development—has ensured steady revenue growth and increased its contribution to India's GDP. By 2029, the sector is expected to contribute 0.4% of India's GDP, up from 0.1% in 2020, reflecting its role as a driver of economic progress.

EdTech users: Insights from learners and educators' profiles

Drawing on comprehensive primary research involving students, parents, and teachers, along with interviews with industry leaders and secondary data analysis, the report highlights the sector's significant contributions to India's education ecosystem and its alignment with national goals as per NEP 2020.

The survey highlights that the largest users of EdTech platforms are students in classes 11th and 12th, primarily leveraging these platforms to prepare for competitive exams like JEE and NEET. Notably, 50% of students dedicate over five hours daily—more than 20% of their day—to studying on these platforms, showcasing their reliance on EdTech for academic success.

Parental responses reveal that EdTech platforms significantly enhance educational accessibility for low- to middle-income households, bridging gaps that traditional systems often leave unaddressed. The deployment of experienced and qualified teachers further underscores the platforms' commitment to quality assurance, a critical factor for trust and credibility.

Moreover, the EdTech sector is creating economic opportunities for educators, with many teachers reporting monthly earnings of more than one lakh. This shift highlights the sector's dual impact—transforming student learning and providing better livelihoods for educators.



Transforming education: Key insights from the 4A framework

To evaluate the EdTech sector's impact, the assessment utilised the 4A Framework: Academic Quality, Accessibility, Affordability, and Advancing Employment. Survey results provided valuable insights into how EdTech enhances these four areas.

01

Academic quality:

The sector has redefined academic excellence by delivering interactive, high-quality content. Surveys reveal that 85% of students rated content available through EdTech platforms as good to excellent in improving their learning outcomes. Teachers also reported enhanced engagement through digital tools and AI-driven personalisation.

02

Accessibility:

By leveraging digital technology, EdTech platforms have expanded access to education in underserved and rural areas. 98% of teachers and 69% of parents acknowledged that the EdTech platforms make learning easier by bridging geographical divides and making quality education accessible to diverse learners.

03

Affordability:

With free and low-cost courses, EdTech platforms have emerged as a more affordable alternative to traditional education methods. 86% of respondents found these platforms economically viable, with targeted initiatives like financial aid and discounts further enhancing inclusivity.

04

Advancing employment:

EdTech's focus on skill-oriented learning has profoundly impacted employability. 87% of students believed EdTech courses are effective in helping students get ready for the job market. Employers increasingly value certifications from leading platforms, strengthening EdTech's role in workforce development.

Opportunities and challenges ahead

The sector's growth has been both remarkable and instructive. While it has made strides in democratising education, challenges persist. High GST rates make the cost of EdTech services higher, limiting affordability. Regional diversity demands extensive localisation, and the difficulty faced by students in maintaining focus in online education modes compared to traditional classrooms remains a concern.

However, these challenges also present opportunities for innovation. By adopting hybrid models, creating low-bandwidth solutions, and focusing on ethical AI usage, the sector can address these gaps and further scale its impact.

The way forward: Recommendations for stakeholders

To realise the full potential of EdTech, concerted efforts from policymakers, industry players, and the ecosystem are crucial:

Policymakers

- Exemptions or reductions in GST from 18% to 5% can make EdTech more affordable and drive adoption, with projections showing that reduced GST could generate higher overall revenues for the sector.
- Financial incentives for EdTech outreach in underserved areas can boost the sector's efforts with national goals like NEP 2020 and Digital India.

EdTech companies

- Hybrid learning models combining online and offline education will cater to diverse user needs.
- Transparency in reporting outcomes and certifications can build trust with users, especially parents and teachers.

Ecosystem level

- Collaboration across public and private stakeholders can ensure inclusive growth, with a focus on reaching last-mile learners and maintaining data privacy.

The Indian EdTech sector is poised to transform not just education but the broader socio-economic landscape. By addressing challenges, aligning with evolving user needs, and fostering an inclusive ecosystem, the sector can cement its role as a global leader in education innovation. The findings and recommendations outlined in this report provide a roadmap for achieving this vision, ensuring that EdTech continues to empower learners, educators, and the nation.



1. Sectoral trends

Home to the historic Nalanda University, established in the 5th century BCE and widely regarded as the world’s first residential university, India has long placed education at the heart of its progress and development. In recent years, the country has embraced digital education on an unprecedented scale, with over 17,000 EdTech companies and seven unicorns¹, second only to the United States’ thirteen as of December 2024². The Indian EdTech sector, the third highest funded ecosystem in the world after the US and China, was valued at USD \$7.5 billion in 2024. It is projected to grow at a CAGR of 25.8%, reaching USD \$29 billion by 2030³.

The backdrop to the rise of this industry lies in the country's unique socio-economic and demographic context. The changing aspirations among middle-class families, a competitive job market, and growing awareness of global education standards have pushed stakeholders to embrace alternative learning methods. EdTech platforms have capitalised on this shift by offering interactive, engaging, and personalised learning experiences tailored to the needs of individual students.

The National Education Policy (NEP) 2020, one of the most transformative policy reforms in India, is further catalysing growth in the sector by promoting digital and adaptive learning. The policy has created a conducive environment for collaborations between the government and EdTech companies. With 50% of the population under the age of 30⁴ and rising enrolment in higher education, from 24% in 2017 to 28% in 2022⁵, India represents a vast and untapped market for EdTech innovation.

However, the industry has faced some headwinds since its funding peaked in 2021. Shifts in consumer demand, reduced investor confidence amidst a global economic slowdown, and a post-pandemic market correction have posed challenges. Yet, emerging technologies such as generative AI, gamification, and augmented/virtual reality offer promising avenues for revitalisation by personalising and adapting the learning experience to diverse student needs.

1.1 Indian EdTech industry at a glance⁶



Figure 1 Indian EdTech industry at a glance



¹ [Traxcn: EdTech sector in India overview](#)

² [Traxcn: Geo Feed Report on EdTech India](#)

³ [Invest India: Opportunities in India's EdTech Industry: Driving Innovation and Accessibility](#)

⁴ [Worldometer: India Demographics](#)

⁵ [Invest India: Education](#)

⁶ [Traxcn: EdTech Startups in India](#)

1.2 Investment trends in the sector

Funding in the EdTech sector has seen a slowdown in the last few years both globally as well as in India, but the focus currently is on achieving sustainable growth, improving efficiency, and driving profitability.

Funding for the Indian EdTech sector peaked at USD 4.86 billion in 2021 but has since been on a downward trend. In 2023, funding plummeted by 87%, dropping to \$535 million from USD 2.88 billion in 2022. As of December 2024, the sector secured around USD 730 million in funding⁷. This decline in funding can be attributed to a general decrease in investments and demand across various sectors due to macroeconomic conditions and cautious investor behaviour. As learners return to traditional sources, normalising excess pandemic-driven demand, the sector is focused on achieving sustainable growth, improving efficiency, and driving profitability. Challenges like reduced funding, heightened competition, and a renewed preference for traditional learning models may have tempered investor confidence, underscoring the need for capital-efficient and resilient business strategies.

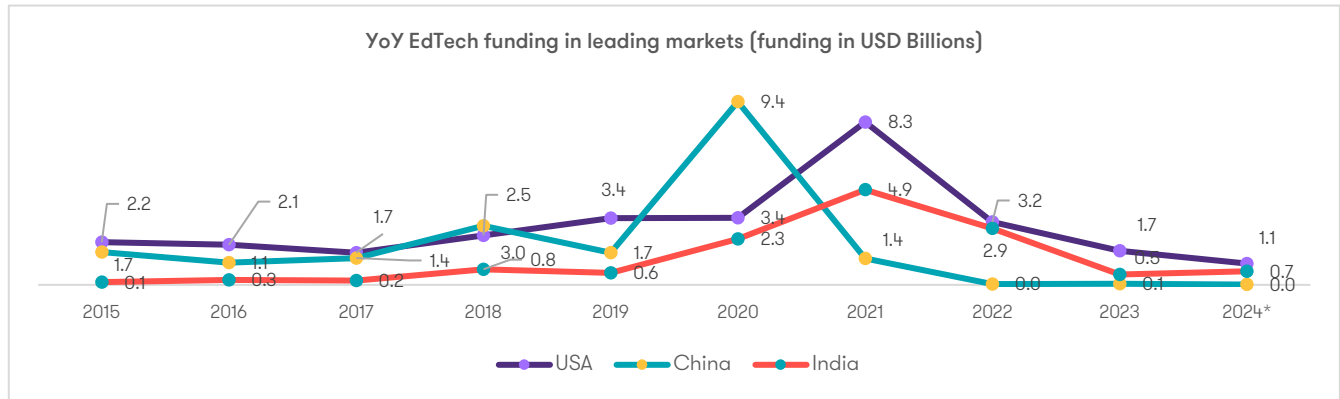


Figure 2 YoY EdTech funding in leading markets (funding in \$ billion)⁸

1.3 Industry dynamics and revenues

Despite the recent decline in funding, the sector's steady revenue growth underscores its resilience, adaptability, and sustained demand for its services. In FY 2024, the combined revenue of seven leading EdTechs reached over USD 960 million.

The EdTech market has witnessed considerable fluctuations in growth over the last decade, driven by evolving consumer demand, technological advancements, and external factors like the pandemic. Analysing the combined revenues of leading players⁹ in the sector reveals a trajectory of slow initial growth, followed by a significant upward trend in recent years. Despite a decline in sector funding over the past three years, the steady revenue growth highlights the sustained demand for EdTech services and demonstrates the sector's resilience and adaptability amidst a global slowdown in investments.

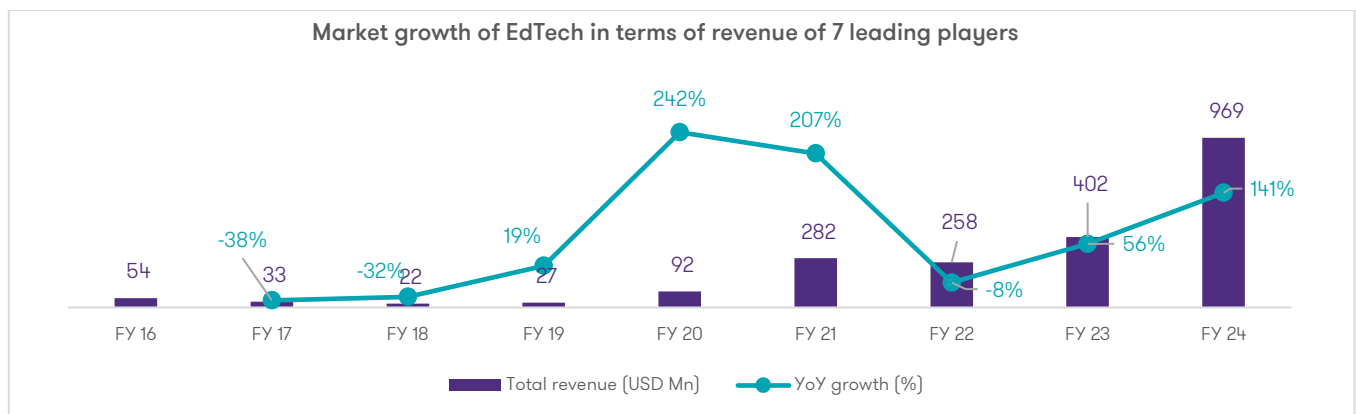


Figure 3 Market growth of EdTech in terms of revenue of 7 leading players¹⁰

⁷ [EdTech | Tracxn](#)

⁸ [Tracxn: EdTech USA](#), [Tracxn: EdTech China](#), [Tracxn: EdTech India](#)

⁹ Based on annual reports of CL Educate, Imarticus Learning, Simplilearn, Upgrad, Vedantu, Unacademy and Physics Wallah

¹⁰ [Annual reports of leading EdTech companies | GTB Analysis](#)

1.4 Consumer preferences and growth drivers

The convenience, flexibility, and diverse options offered by EdTech make it a preferred choice for new-age students. Though K-12 and test preparations dominate the market, demand for upskilling and corporate certifications will increase steadily.

The market was steadily growing even before the pandemic, driven by busy students and professionals seeking the convenience and flexibility of online learning. Limited access to traditional educational institutions, coupled with the availability of a wide range of courses and subjects on these platforms, allowed users to customise their learning experiences to suit their specific needs and interests. Additionally, the increasing emphasis on upskilling and reskilling in a competitive and rapidly evolving job market has amplified the appeal of EdTech platforms. Professionals aiming to stay competitive view them as ideal for acquiring new skills and enhancing their expertise.

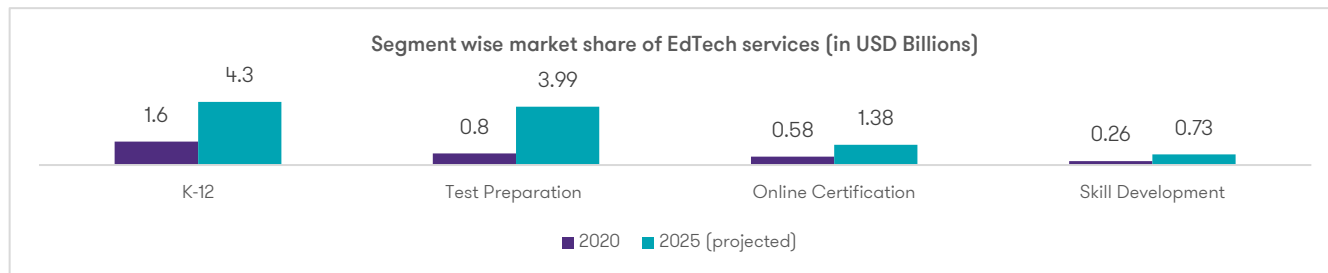


Figure 4 Segment-wise market share of EdTech services (in \$ billion)¹¹

1.5 Emerging trends

The rise of mobile learning with advanced features like personalisation, gamification, AI, and multi-lingual interfaces is enhancing user engagement and collaborative learning.

A major turning point in the EdTech landscape was the proliferation of affordable smartphones and internet connectivity. With the reduction in data costs and expanded internet access to remote and underserved areas, millions of users came online, making India the second-largest internet market in the world. This rapid digital adoption has created a fertile ground for EdTech startups, allowing them to reach learners in Tier 2 and Tier 3 cities and rural areas that had been historically excluded from quality education resources.

A recent trend in the Indian EdTech landscape is the rise of mobile learning, with a significant shift toward mobile-first platforms designed to deliver educational content optimised for smaller screens and tailored to the needs of mobile users. EdTech is also focusing on the integration of advanced features such as personalisation, gamification, the use of AI in interactive learning, and multi-lingual user interfaces to enhance accessibility and user engagement. Interactive features such as quizzes, discussion forums, and virtual classrooms on these platforms promote collaborative learning.

1.6 Outlook and opportunities

Hybrid learning models, combining online and offline education, are set to become mainstream as students and professionals seek greater flexibility and access to a wide variety of courses, including those in regional languages.

The Indian EdTech sector is poised for substantial growth. Despite recent setbacks and a ‘funding winter’, India’s EdTech industry is on a sharp upward trajectory. The Indian school segment alone, with its valuation of USD 48.9 billion as of 2023, is expected to grow at a rate of 10.7% to USD 125.8 billion by 2032. With around 1.55 million K-12 schools and a student population of 218 million, the nation is likely to supersede this projection.¹²

With 954.4 million internet subscriptions in March 2024,¹³ and continued expansion in rural areas, EdTech companies are increasingly reaching Tier 2 and Tier 3 cities by offering affordable, regionally tailored content. Government policies, particularly the NEP 2020, emphasise technology in education, supporting the adoption of online platforms and digital resources. Additionally, the government’s policy permitting 100% FDI under the automatic route provides significant opportunities for international collaboration and investment in India’s growing EdTech landscape. From April 2000 to March 2024, Foreign Direct Investment (FDI) equity inflow in the education sector stood at USD 9.51 billion, according to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT).¹⁴

¹¹ [The Future Of Edtech In India: Decoding The \\$10 Bn Market Opportunity, Inc42](#)

¹² [Opportunities in India’s EdTech Industry: Driving Innovation and Accessibility](#)

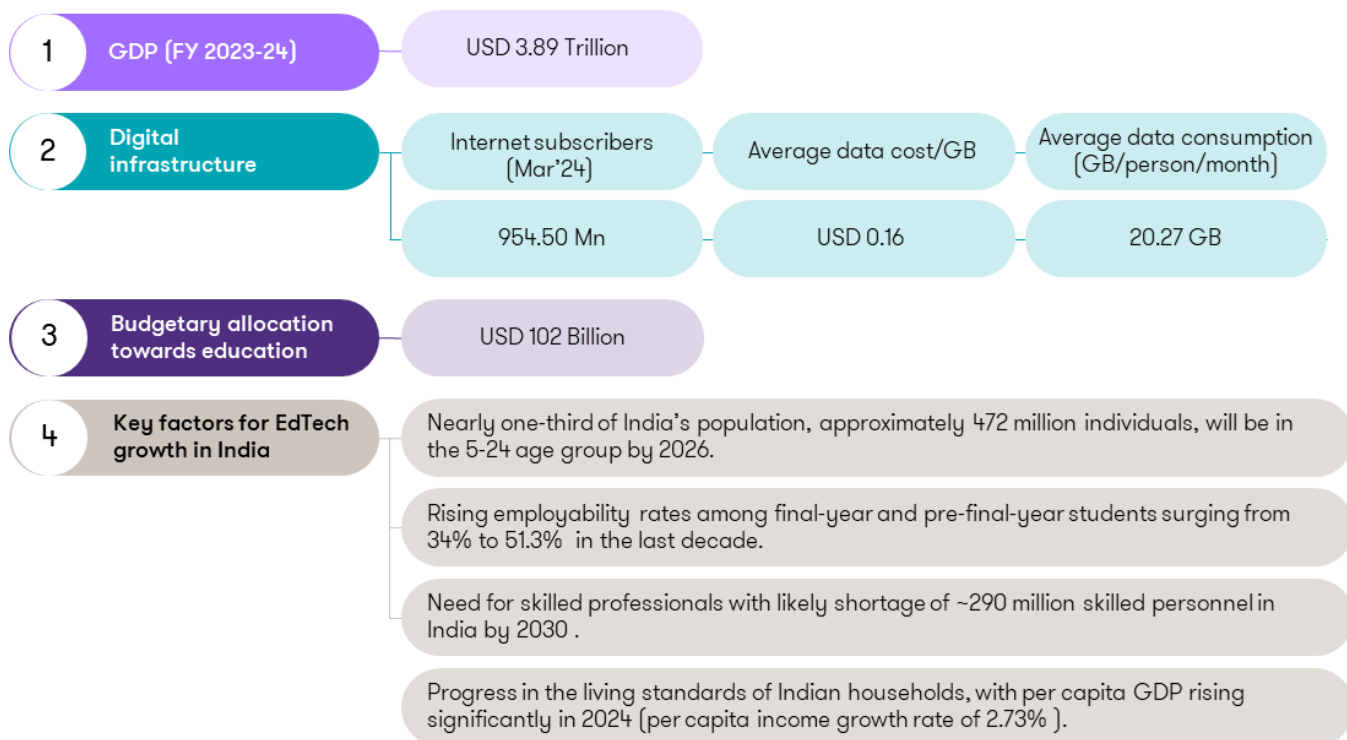
¹³ [Ministry of Communications](#)

¹⁴ [Economic & Business e-Newsletter](#)



2. Sector's contributions to the Indian economy

2.1 Indian economy: Macroeconomic snapshot¹⁵



2.2 Sector's contribution to GDP

The EdTech sector in India is rapidly growing, with its contribution to GDP expected to increase from 0.1% in 2020 to 0.4% by 2029, highlighting its expanding role in the economy and alignment with government initiatives.

The EdTech sector in India has demonstrated remarkable growth in its contribution to the country's GDP over the years. In 2020, when India's GDP stood at USD 2.67 trillion, the EdTech market size was valued at USD 2.8 billion, contributing a modest 0.1% to the GDP. However, this contribution has been steadily increasing, reflecting the sector's expanding role in the economy.

An analysis of the latest IMF GDP projections for India and the projected growth of the EdTech sector reveals a significant rise in the sector's share of GDP in the coming years. By 2025, the EdTech market is expected to grow to USD 10.4 billion, raising its contribution to 0.24% of GDP. By 2029, the sector is projected to reach a market size of USD 25.5 billion, contributing 0.4% to the GDP—a fourfold increase compared to 2020.

This trajectory highlights the sector's growing importance as a driver of economic growth. The steady rise in the EdTech sector's share of GDP underscores its potential to be a catalyst for innovation, skill development, and employment generation in India. The sector's alignment with government initiatives like Digital India and NEP 2020 further strengthens its position as a critical component of India's knowledge economy.

Year	India's GDP ¹⁶ (USD Trillions)	EdTech market size ¹⁷ (USD Billions)	Share of EdTech in India's GDP
2020	2.67	2.80	0.10%
2021	3.17	3.60	0.11%
2022	3.35	4.60	0.14%
2023	3.57	5.90	0.17%
2024	3.89	7.50	0.19%

¹⁵ Ministry of Communications [Union Budget 2024-25 POPULATION PROJECTIONS FOR INDIA AND STATES 2011 - 2036](#), Ministry of Health, Press Release: Press Information Bureau (pib.gov.in) [India's Economic Report Card for 2024](#)

¹⁶ [IMF DataMapper](#)

¹⁷ [INSIDE INDIA'S \\$29 BN+ EDTECH OPPORTUNITY - Inc42 Media](#)

2025	4.27	10.40	0.24%
2026	4.71	13.00	0.28%
2027	5.19	16.70	0.32%
2028	5.72	21.00	0.37%
2029	6.31	25.50	0.40%

Table 1 Share of the EdTech sector in India's GDP

2.3 EdTech impact on the Indian economy

2.3.1 Bridging the educational divide through affordability:

EdTech has played a crucial role in democratising education by making quality learning resources accessible to students in remote and underserved areas. The high penetration of the internet and smart devices has enabled this reach. By providing affordable and sometimes free educational content, EdTech platforms have reduced the cost barriers to education, enabling more students to access quality learning resources.

2.3.2 Skilled workforce:

EdTech platforms are playing a crucial role in developing a skilled workforce in India by offering courses in various fields such as technology, management, and healthcare. These platforms provide upskilling and reskilling opportunities, which are essential for meeting the demands of a rapidly changing job market.

2.3.3 Attracting foreign investment to the EdTech ecosystem:

The success and potential of EdTech have attracted substantial foreign investment, which has significantly contributed to the Indian economy. Global investors have recognised the potential of the Indian EdTech market, resulting in billions of dollars in investments. It enhances India's position in the global market as the 'EdTech Capital of the World.'

2.3.4 Empowerment of people from economically disadvantaged communities:

EdTech has played a transformative role in empowering individuals from economically disadvantaged communities and creating significant employment opportunities in India. By providing access to affordable and quality education, EdTech platforms have enabled students from low-income backgrounds to excel academically and secure better job opportunities, breaking the cycle of poverty. These efforts have equipped individuals with the skills needed to participate in the digital economy, thus improving their livelihoods and fostering economic mobility.

2.3.5 Employment creation:

The rapid expansion of the EdTech sector has significantly contributed to job creation across various roles, such as software development, content creation, data analysis, marketing, and customer support. This growth has not only provided direct employment opportunities but has also driven the need for specialised skills and roles. For example, the demand for instructional designers, curriculum developers, and online tutors has surged, creating new job opportunities within the education sector. Cumulatively, the Indian EdTech sector has generated over 75,000 jobs in the past five to seven years²¹.

2.3.6 Research & development and innovation in the education sector:

The EdTech sector promotes research and development (R&D) by providing access to vast resources and tools for educators, researchers, and students. This access fosters a culture of innovation and critical thinking, leading to breakthroughs and advancements in various fields. Continuous investment in R&D within the EdTech sector drives technological progress and contributes to the knowledge economy.



Access to quality education



Cost-effectiveness



Skill development and employability

EdTech platforms provide access to high-quality education services, resources, and courses that may not be available locally. This includes video lectures, interactive modules, and virtual classrooms, ensuring that students from diverse backgrounds can receive quality education regardless of their geographic location.

Online courses and digital learning materials are often more affordable than traditional classroom-based education. EdTech reduces the need for physical infrastructure and materials, which can significantly lower the costs associated with education.

EdTech platforms often focus on practical and skill-based learning, which enhances employability. Many platforms offer certifications and diplomas that are recognised by employers, providing students with credentials that can help them secure jobs in the fields of their choice.

2.4 Estimated growth of the EdTech sector in the next 10 years

Reducing the GST on EdTech services could significantly boost the sector’s growth, making education more affordable and accessible while also increasing overall revenue and supporting economic development.

Over the past years, the growth in demand for EdTech services has significantly increased the sector’s contribution to the economy through taxes. However, the current 18% GST rate on EdTech services poses a limitation to the sector’s growth, as it makes these services costlier. This is particularly concerning when other segments of education in India benefit from substantial subsidies and lower taxation rates.

Looking ahead, the EdTech sector will experience a remarkable 34% CAGR if the GST rate is reduced from 18% to 5%. Such a reduction would make EdTech courses more affordable for school students, aspirants preparing for competitive exams, and professionals pursuing skill development to enhance employability.

Notably, projections indicate that revenue generated under a 5% GST regime would consistently surpass what would have been earned at the 18% rate, with revenues expected to reach USD 28 billion by 2031-32. This demonstrates how reducing GST not only enhances access to education but also fosters industry growth, increases overall revenue, and aligns with the broader goal of making quality education more accessible and equitable.

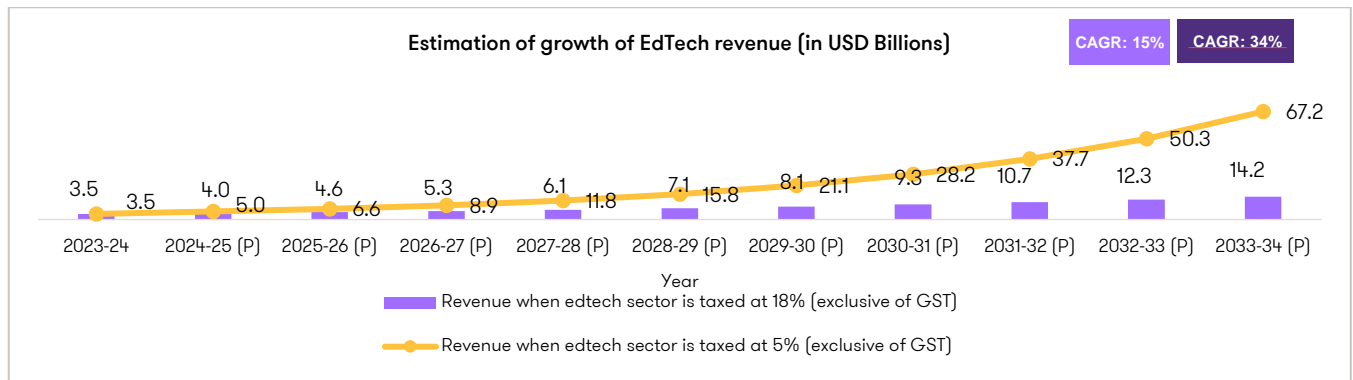


Figure 4 Estimation of growth of EdTech revenue (in \$ billion)

Source: GTB Analysis

Lowering GST on EdTech may initially reduce tax collections in the short term, but the long-term effect is an expanded tax base with increased adoption. Affordable EdTech options will boost the demand, potentially generating greater tax revenue and supporting government fiscal health.

2.5 Global case studies on taxation in EdTech

Drawing global examples, there is a lower tax rate despite high literacy rates, leading to increased investment, demand and growth in the EdTech sector.

S.No	Country	Tax rate	Description
1.	Germany ¹⁸	Exempt	Private schools and institutions offering certified educational services, including vocational training, are exempt from VAT. This exemption also applies to independent teachers providing educational services at certified private schools, universities, and public schools. Additionally, non-profit institutions, such as public academies and adult education centres, are exempt from VAT for educational and scientific lectures and courses.
2.	France ¹⁹	Exempt	France's VAT exemption covers e-learning services provided by specific public or private institutions, as outlined in the Education Code (Article L 444-1 to 444-11). To qualify, e-learning must not require the teacher's physical presence, except occasionally or for specific exercises. Both public and private bodies can offer VAT-exempt e-learning, but private organisations must register with and obtain approval from the Minister of Education and Training. The exempt e-learning services include primary, secondary, technical, and higher education programmes.
3.	Singapore ²⁰	9%	Despite having a literacy of 97%, the EdTech platforms in Singapore are charged a GST of 9%. The GST rate in Singapore is notably lower than the 18% rate in India, where the literacy rate is 74%, and it is even lower for females at 65.4% ²¹ . As a result, Singapore's EdTech platforms can offer more competitive pricing than their Indian counterparts, where the tax rate is double. The lower GST rate in Singapore can also foster increased investment and growth in the EdTech sector, making it an appealing market for education technology companies.
3	Mexico ²²	16%	Distance learning or teaching in Mexico is taxed at 16%, and the literacy rate is 95%. This highlights the need to make education more inclusive.

Table 2 Global case studies on taxation in the EdTech sector

¹⁸ Germany VAT Rules - European Commission (europa.eu)

¹⁹ France VAT Rules - European Commission (europa.eu)

²⁰ Singapore MOF | Goods and Services Tax

²¹ Profile - Literacy - Know India: National Portal of India

²² Mexico - Literacy rate 2020 | Statista



3. EdTech's alignment with NEP 2020

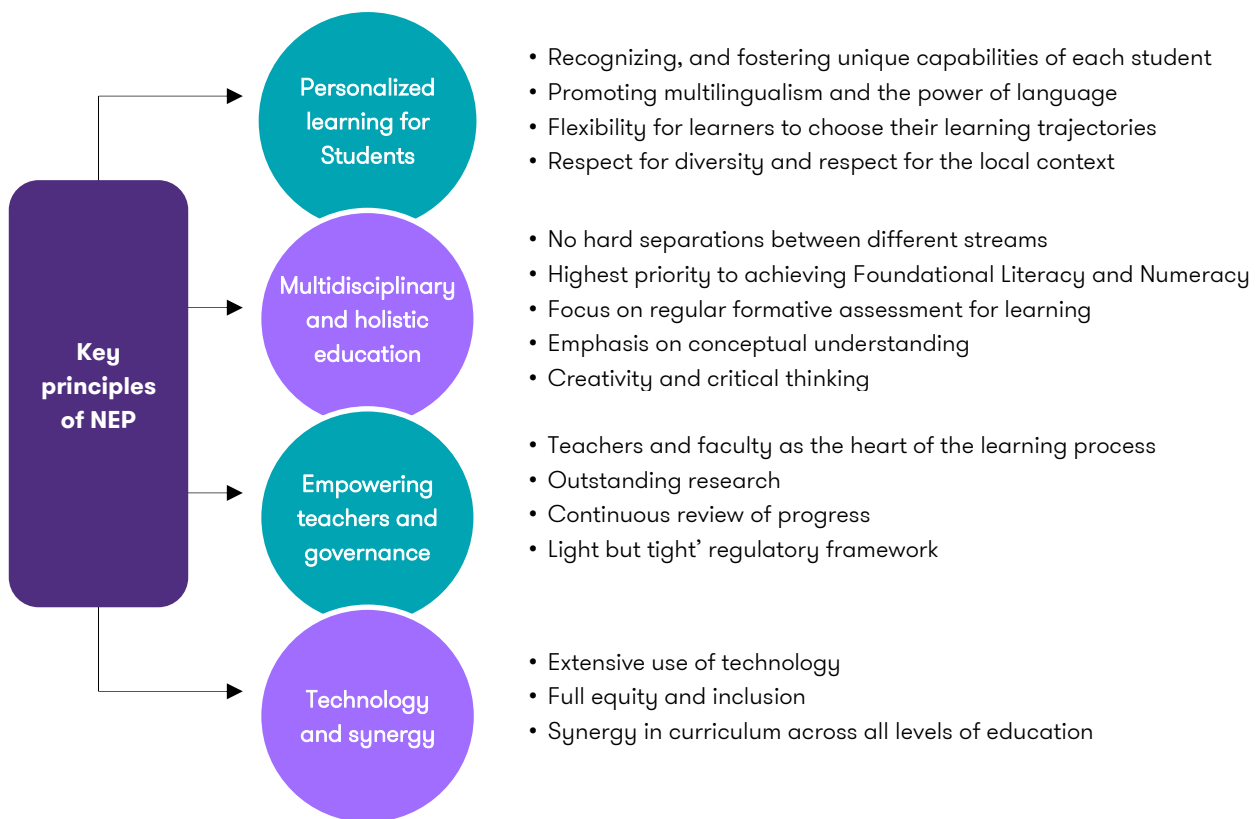
Education in India has witnessed a series of transformative milestones, beginning with the implementation of the Right to Education (RTE) Act in 2009, which guaranteed free and compulsory education for children. This was followed by the rollout of the National Education Policy (NEP) in 2020, which envisions a holistic, multidisciplinary, and technology-driven educational ecosystem. Somewhere between the two, an initiative that holds the potential to bridge the gaps in the Indian education system, the EdTech revolution, was entered. EdTech has emerged as a significant enabler, bridging gaps in access, quality, and personalisation in education. This chapter explores how EdTech initiatives align with NEP 2020 to revolutionise the education system.

3.1 NEP: Key principles

The NEP 2020 is built around the idea of making education inclusive, accessible, and relevant for 21st-century learners. The key principles of NEP can be broadly categorised into the following themes:

- Personalized learning: Tailoring education to the unique needs of each learner.
- Multidisciplinary and holistic education: Encouraging interdisciplinary approaches and critical thinking.
- Empowering teachers and governance: Recognizing teachers as central to the learning process.
- Technology and synergy: Leveraging technology to promote inclusion and equity.

The NEP advocates for student-centred learning approaches that cater to the unique needs of each student. It emphasises the development of multidisciplinary and holistic education systems while prioritising the empowerment of teachers and the strengthening of public education systems. Additionally, it encourages the extensive use of technology to achieve these outcomes, with equity and inclusion serving as the cornerstone of all decisions. To summarise, the key principles of NEP, as laid in the policy document, can be broadly classified into four categories as depicted in the table below.






3.2 EdTech initiatives and their alignment with NEP

EdTech combines education and technology, leveraging hardware and software solutions to enhance teaching and learning experiences. It plays a pivotal role in addressing the goals of NEP 2020. For instance, EdTech platforms use data analytics to tailor content to individual learning paces and styles. Integration of Artificial Intelligence is also being implemented to enhance

the student's learning experience. Multilingual tools and mobile-first platforms make education accessible to marginalised communities. This section explores the categories of EdTech tools and initiatives, analysing their alignment with NEP objectives.

3.2.1 EdTech tools

 <p>Hardware</p>	 <p>Software</p>	 <p>AI and Analytics</p>
Smartboards, tablets, and other digital devices facilitate interactive learning.	Learning Management Systems (LMS), gamified apps, and career guidance portals	Platforms providing real-time feedback and adaptive learning experiences

3.2.2 EdTech initiatives

When looking at the perspective of target groups, the EdTech services can be broadly categorised into two major categories—the K-12 and the Post K-12. A variety of initiatives target different ages and grade levels; overall, the EdTech initiatives aid in multiple learning avenues and career development for students throughout their academic and professional journey. The below diagram maps the broad category of initiatives offered through EdTech service providers to facilitate this journey.

Grade Level		EdTech Initiatives Focus					
K-12	Foundational (playschool till grade 2)	Supplementing school learning	Creative thinking and problem-solving	Language, arts, hobbies, and casual learning	Preparation for Olympiads and other grade-appropriate competitions	Foundational courses for skilling	Mentorship and academic counselling
	Preparatory (Grade 3-5)						
	Middle (Grade 6-8)						
	Secondary (Grade 9-12)						
Post K-12	Graduation/ Diploma	Supplementing/ alternatives to higher education	Test preparation for government jobs		Academic test preparation (such as JEE, CAT, NEET)	Upskilling and online certification	Talent management and career counselling
	Post Graduation and Above						

Table 3 Key grade levels and focus areas for EdTech initiatives

EdTech supports learners across all educational stages, from fostering foundational literacy in early education to providing career-oriented upskilling opportunities. This comprehensive potential of EdTech and its extended support encompass the different principles laid down in the NEP.

With technology as the backbone, the EdTech sector contributes directly to the promotion of teaching and learning that removes language barriers, increases access for students from remote regions or special needs, and enhances overall educational planning and management. All the leading Edtech platforms offer content in multi-lingual mode, integrating English with regional languages to provide students with comfort in learning and offer multitudes of courses that can be followed at their own pace; the array of options for learning has expanded like never before. Students can find courses tailored to their interests or niche needs.

Though vision NEP is a guiding framework for the education ecosystem in its entirety, the adoption of principles will take its time to get integrated within the fabric of the traditional education ecosystem in India, but with EdTech, a majority of these principles already form the foundation of the eco-system.

3.3.3 Government initiatives for EdTech

India's EdTech revolution is supported by a range of initiatives launched by the government. Programs like DIKSHA (Digital Infrastructure for Knowledge Sharing), ePathshala, and National Initiative for School Heads' and Teachers' Holistic Advancement (NISHTHA) have helped students and teachers access digital learning and adapt technical skills. Policy interventions such as the NEP and the National Digital Education Architecture (NDEAR) launched in 2021 aim to take education and learning in India to a whole new level. While NEP seeks to democratise quality education and ensure its accessibility to all, the NDEAR scheme serves as a foundational framework designed to provide the necessary infrastructure to realise the

objectives set forth by NEP. The table below discusses some of the notable initiatives that leverage or further the implementation of an effective EdTech ecosystem implemented by the Indian government in recent years²³.

National Digital Educational Architecture (NDEAR)	<p>Launched in 2021, with the vision to strengthen digital architecture in education, the government launched the scheme to integrate various educational resources, platforms, and services, enabling seamless access to quality education and skill development.</p> <p>As of 2024, over 60 crore energised textbooks (QR-incorporated textbooks), more than 1,500 micro courses, 500 crore learning sessions, and 20,000 ecosystem participants are available on the platform.</p>
National Educational Alliance for Technology (NEAT)	<p>Initiated in 2019, NEAT represents a distinctive Public-Private Partnership between the Indian Government and Education Technology companies. This initiative creates a national collaboration with EdTech firms and their technologies. The Ministry of Human Resource and Development serves as a facilitator, ensuring that economically disadvantaged students gain free and easy access to Adaptive Learning Solutions. Meanwhile, EdTech companies are tasked with developing these solutions and managing learner registrations through the National Educational Alliance for Technology portal.</p>

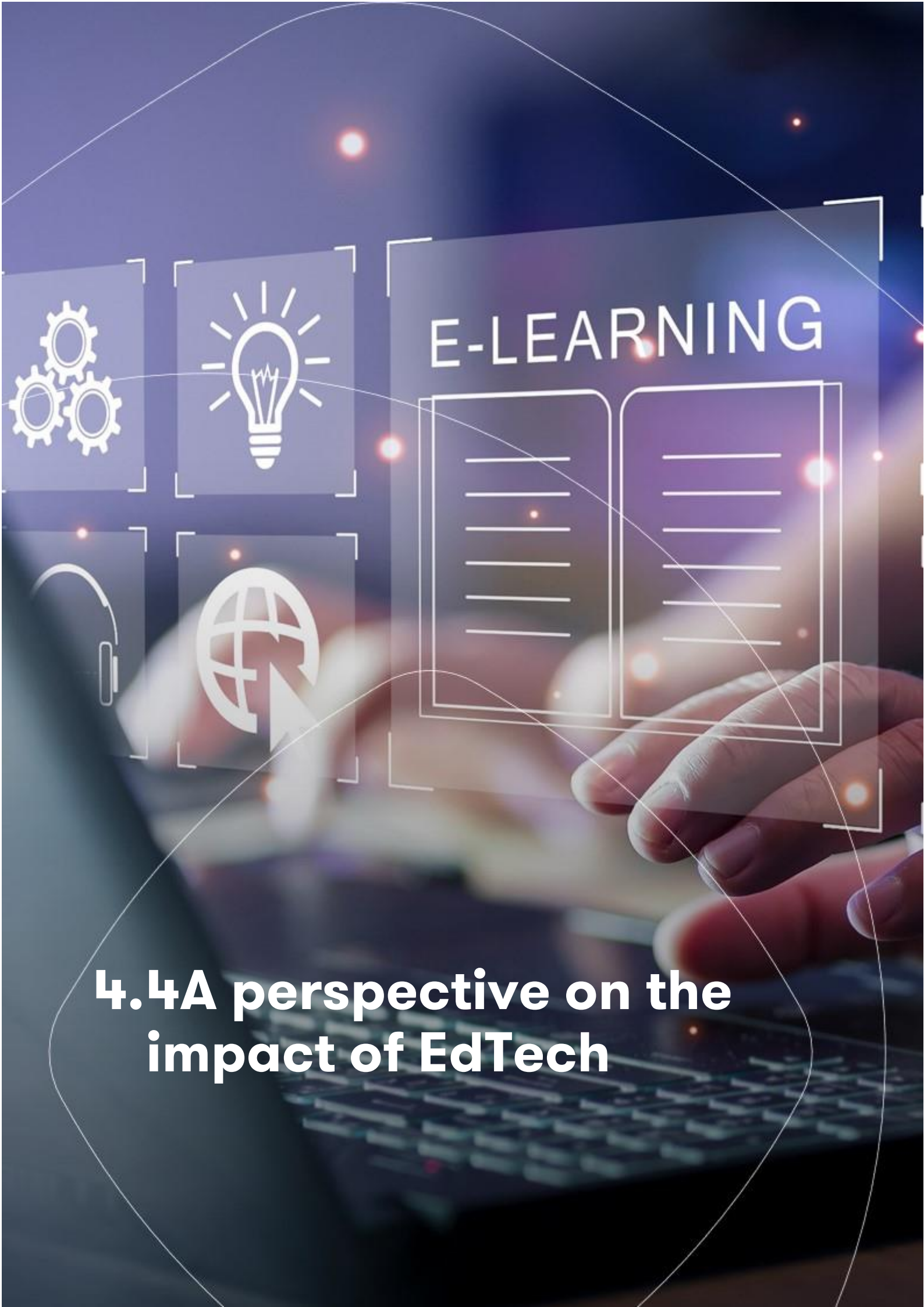
Table 4 Government initiatives to support EdTech in India

The Government of India and private players are collaboratively shaping the EdTech landscape. These initiatives exemplify how technology is being leveraged to align with NEP's goals.

NEP 2020 key pillars	EdTech strategies	Key outcomes
Personalised learning	Adaptive learning pathways, real-time feedback, gamified content	Customised learning experiences improve student engagement, enhance learning outcomes, and align with NEP's learner-centric approach.
Multidisciplinary and holistic education	Integration of STEM and arts, modular courses, and career readiness programs	Encourages interdisciplinary learning, critical thinking, and industry readiness, fulfilling NEP's focus on holistic development.
Empowering teachers and governance	Online teacher training, classroom analytics, workflow automation	Improves teaching quality, enables evidence-based decision-making, and supports NEP's goals of teacher empowerment and governance.
Technology and synergy (Inclusion)	Digital-first solutions, multilingual support, and a 24*7 service approach	Increases access to quality education for marginalized groups, reducing the digital divide and promoting inclusion as envisioned in NEP.

Table 5 Key pillars and outcomes of EdTech Strategies basis NEP 2020

²³ [Key initiatives in digital education](#)



4.4A perspective on the impact of EdTech

The rapid evolution of EdTech platforms in India has transformed the way education is delivered, received, and perceived. Beyond just being technological tools, these platforms have emerged as enablers of meaningful educational outcomes. This chapter explores the contribution of EdTech through the lens of the 4A Framework: Academic Quality, Accessibility, Affordability, and Advancing Employment. Each pillar captures a distinct yet interconnected aspect of how EdTech is reshaping the educational landscape.

As the role of EdTech continues to expand, its impact must be understood not just on its ability to deliver content but on its effectiveness in bridging educational gaps and fostering equitable opportunities. This chapter draws insights from a comprehensive survey of students, parents, and teachers—the primary stakeholders in the ecosystem. Their experiences, expectations, and evaluations serve as the foundation for assessing the progress made and the areas that need further attention.

4.1 Assessment approach

Our study aims to evaluate the impact of Edtech on the Indian economy through the 4A Framework. Each pillar of the framework represents a distinct, interconnected aspect of how EdTech reshapes India’s educational landscape, aiming to bridge gaps and create equitable opportunities.

4A Framework



4.2 Methodology

The methodology for this assessment employed a comprehensive and multi-pronged approach to understand the efficacy and impact of the EdTech sector in India. It combined primary research, in-depth interviews, and a review of global literature and case studies to provide a holistic assessment of the sector.

The primary research focused on gathering insights directly from key EdTech stakeholders, including students, teachers, and parents. Recognising students as the primary beneficiaries of EdTech services, a statistically significant sample of students was surveyed to capture their experiences and perceptions. To validate and enrich the findings from the student’s perspective, additional surveys were conducted with teachers and parents, offering a well-rounded view of the sector’s impact.

In-depth interviews with senior executives of leading EdTech were conducted to capture perspectives on market strategies, challenges, and trends. Additionally, an extensive review of academic and industry literature, alongside case studies of successful EdTech models, helped contextualise the findings within both Indian and global frameworks. This robust methodology ensures that the analysis is rooted in evidence, enriched by expert insights, and aligned with global best practices.



The primary survey was designed to ensure a representative, neutral, and fair sample, capturing responses from individuals across Tier 1, Tier 2, and Tier 3 cities in India. Respondents reflected diverse educational and economic backgrounds, ensuring inclusivity and coverage of varied perspectives. Students, parents, and teachers were included as key stakeholders, representing different regions, income groups, and professional experiences. This approach ensured that the findings were not biased toward specific institutions or demographics, making the analysis comprehensive and reflective of the broader EdTech ecosystem.

4.3 Results from the primary survey

4.3.1 Respondent profile

Students

Students were surveyed from diverse locations across India and had varied educational backgrounds. The gender split was almost equal with 49% male, 50% female and 1% students not disclosing their gender. 68% of the surveyed students were pursuing school education (K-12) and rest (32%) were graduates or above (post K-12). Age of the surveyed students ranged from 14 to 30 years, where majority (66%) of the students belonged to the age group of 16 to 20 years.

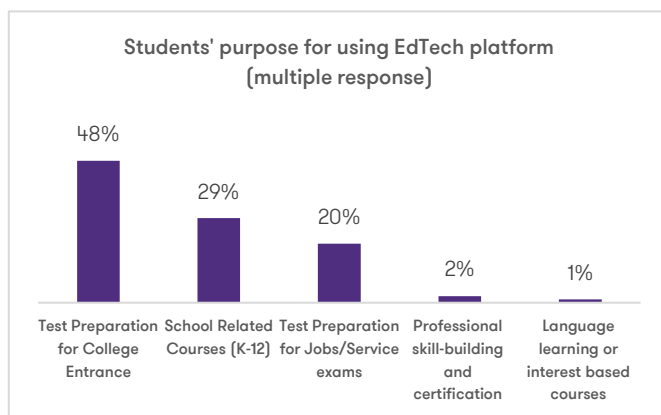


Figure 5 Students' purpose for using EdTech platforms (multiple responses)

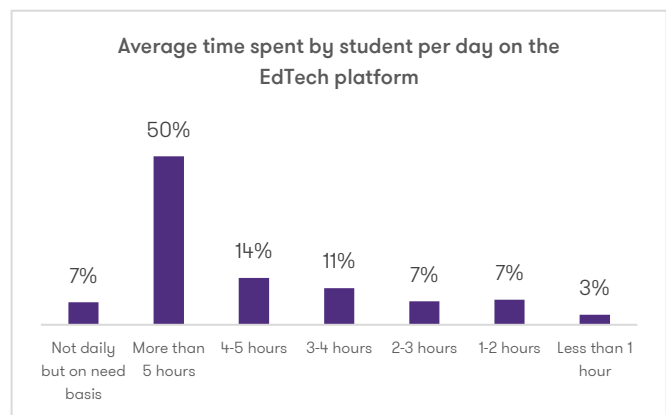


Figure 6 Average time spent by student per day on EdTech platforms

Parents

As decision-makers and supporters, parents are also indirect beneficiaries of EdTech services. Among the survey respondents, 67% were fathers, and 33% were mothers of students using Edtech platforms. The average age of the parents surveyed was around 40 years. The majority (54%) of these respondents held jobs in the private sector. The distribution of household income reported by parents shows that EdTech platforms are effectively enhancing educational accessibility for low- to middle-income households.

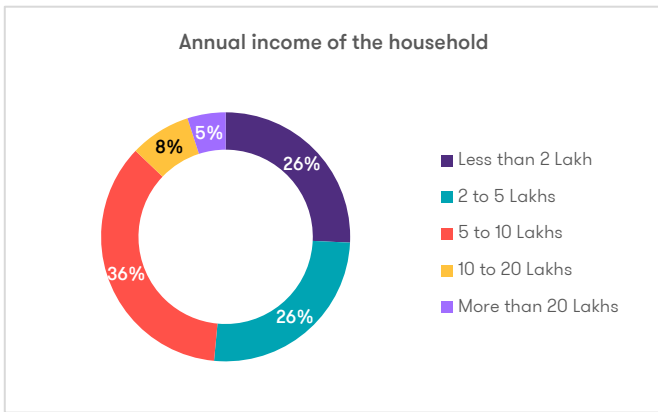


Figure 8 Annual income of households

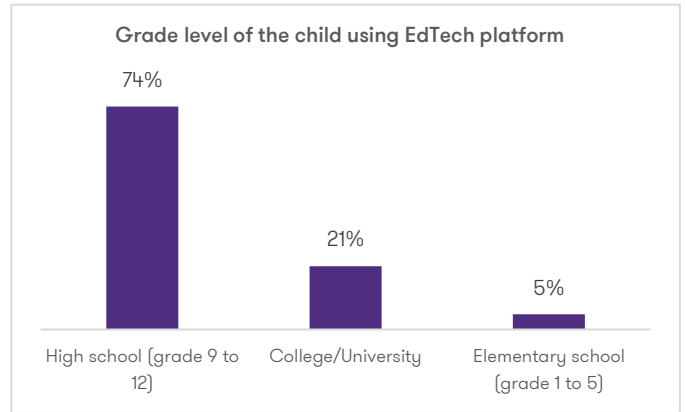


Figure 7 Grade level of the child using the EdTech platform

Teachers

All the teachers surveyed as part of the assessment were associated with EdTech platforms. 67% of these respondents were male while 33% were female, and the average age of the respondent was 32 years.

Almost all the teachers (98%) mentioned their association with the EdTech platform as a full-time engagement, and the majority (72%) had more than 5 years of overall experience in teaching.

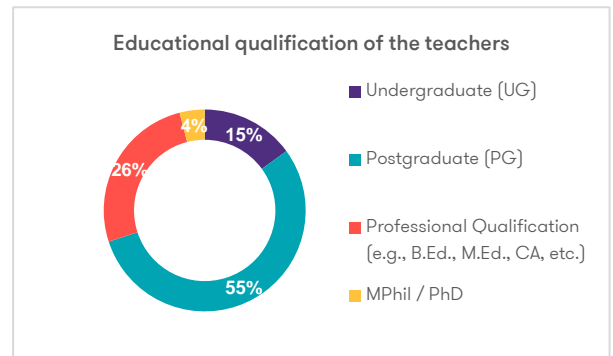


Figure 9 Educational qualification of the teachers

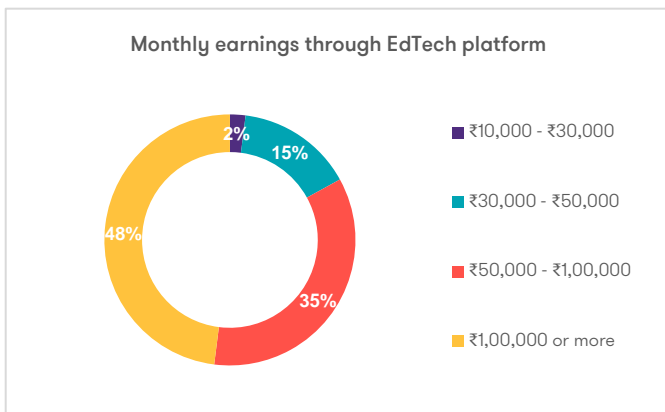


Figure 10 Monthly earnings through EdTech platforms

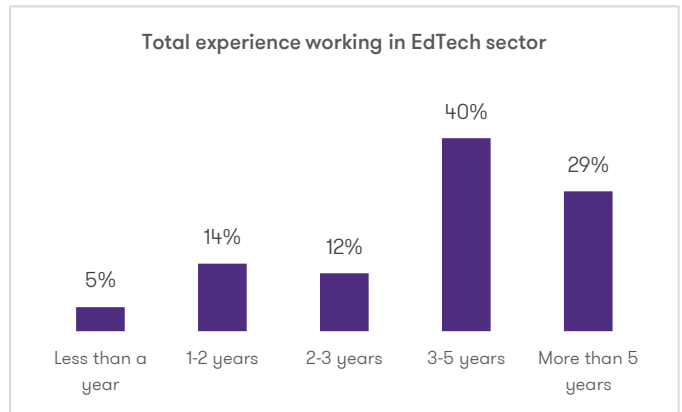


Figure 11 Total experience working in the EdTech sector

Key insights based on respondent profiles

The largest users of EdTech platforms are students in classes 11th and 12th, who use these platforms to prepare for entrance exams like JEE and NEET. 50% of these students dedicate over five hours daily (more than 20% of their day) to studying on these platforms.

Response from parents' household income shows that EdTech platforms are effectively enhancing educational accessibility for low- to middle-income households.

The deployment of experienced and qualified teachers reflects the platforms' quality assurance.

4.3.2 EdTech role in enhancing academic quality

The survey revealed that 94% of students rated the quality of EdTech content as excellent or good and linked its contribution to improvement in their academic performance.

Additionally, 84% of teachers observed that EdTech platforms had positively impacted their teaching, making lessons more interactive and effective.

Quality of educational content

EdTech platforms have enhanced the quality of education by offering comprehensive, up-to-date, and engaging content.

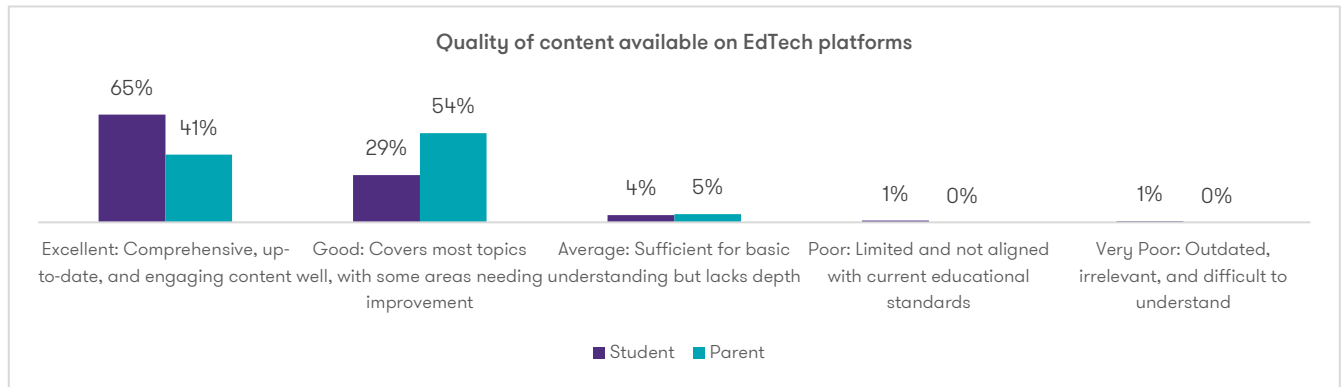


Figure 12 Quality of content available on EdTech platforms

- 94% of students rated the quality of content on EdTech platforms as excellent or good, stating that the content is comprehensive, up-to-date and engaging.
- Teachers echoed this sentiment, with 84% reporting that EdTech platforms have positively impacted their teaching processes, making lessons more engaging and effective.
- Parents also reported a positive perception towards the quality of the content available on EdTech platform. 95% parents rated the content as good to excellent.

When asked to compare the quality of content available on EdTech platforms to traditional mediums, 71% of students reported that EdTech content is superior in quality, while 24% found it to be at par with traditional methods. This indicates that EdTech platforms have not only matched the quality of traditional and trusted educational resources but have also significantly surpassed them.

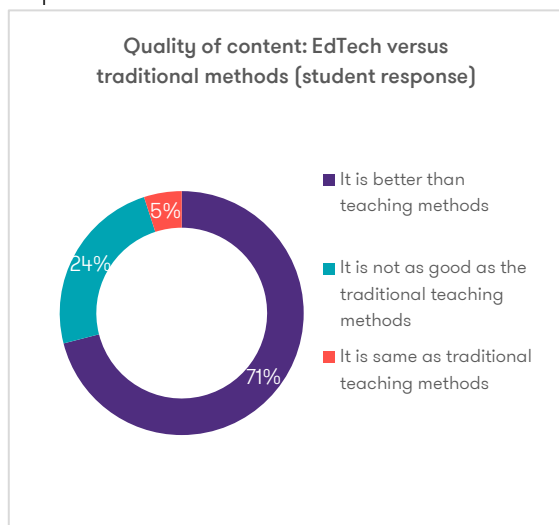


Figure 14 Quality of content: EdTech versus traditional methods

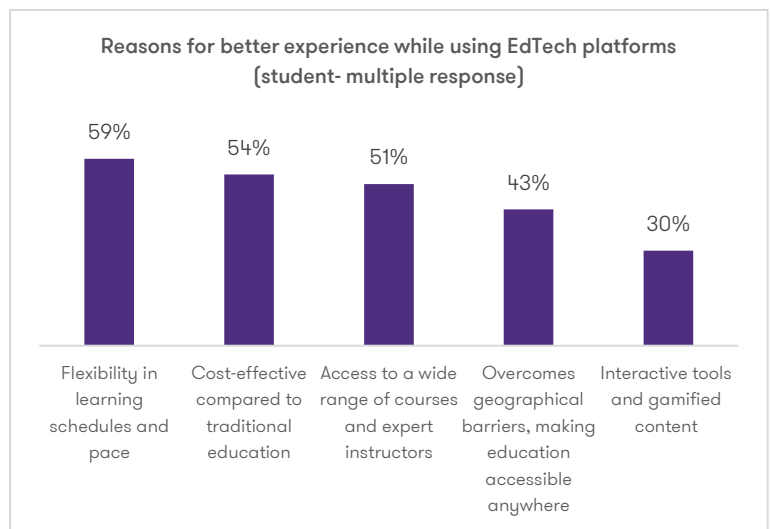


Figure 13 Reasons for better experience while using EdTech platforms (student - multiple response)

Impact on student performance

The direct measure of understanding the efficacy and establishing the quality of content is its validation through student performance.

- The survey revealed that the majority (68%) of the students found the online learning methods, such as interactive videos and gamification, among others, to be very engaging, and 78% of students reported that the platform had helped significantly increase their understanding of educational content and topics.
- 69% of students reported significant, and 25% reported moderate improvements in their academic performance after availing of EdTech services.
- Parents corroborated this view, with 92% reporting that their child's academic performance had improved, either significantly or moderately, as an impact of the EdTech platform.

While the quality of content was appreciated by all the respondents, some challenges were also identified in this respect:

- Of the few students (5%) who reported the quality of EdTech content to be not as good as the traditional mediums, the majority reported a lack of personalised interaction with teachers and peers and limited experiential learning as the key reasons for their views on quality.
- 31% of parents and 30% of teachers surveyed also resonated with the same view, citing lack of personalised attention and interaction with students as the key challenges associated with the EdTech platforms, respectively.

Students, parents, and teachers consider content provided at EdTech platforms to be superior in quality due to its comprehensive, up-to-date, and engaging nature.

Case Study #1

Ensuring quality education and industry relevance: Transformative approach of a leading EdTech in higher education

A leading edtech in the higher education space, established in 2019, revolutionised the educational landscape. Partnering with over 35 universities and institutions across 15+ cities in India, EdTech focuses on enhancing employability. Operating in a hybrid model combining academic education and real-world industry exposure, EdTech offers training, internships, and personalised career support, equipping students with market-relevant skills and bridging the gap between academia and industry.

The approach

This EdTech addresses the gap between academic learning and industry needs by offering specialised programs in collaboration with academic institutions. Their focus on providing real-time industry exposure and personalised career guidance allows students to build the skills employers actively seek.

Outcomes and impact

The platform's approach has helped bridge the divide between traditional education and industry expectations, driving its success. They focus on delivering practical experiences, making learning industry-relevant, and ensuring students are job-ready upon graduation.

“Our mission is to bridge the gap between what students learn and what the industry demands, enabling every student to succeed in their chosen career path.”

- Vice President, Strategy and Operations

Industry-driven curriculum	Real-world exposure and practical learning	Collaborative partnerships for expanding reach
The platform ensures that its curriculum is continuously updated to reflect the latest trends and demands of the job market. Their deep collaboration with corporate partners ensures that students acquire the skills that employers actively seek, creating a seamless link between academic education and industry needs.	Students gain hands-on experience through internships, live projects, and interactions with industry experts. This real-world exposure gives students a competitive edge, as they can apply classroom learning in practical scenarios, making them job-ready upon graduation.	EdTech has built partnerships with over 35 universities and institutions, expanding its reach and impact across India. Their collaborations with government schemes such as the Bihar and West Bengal Credit Card initiatives, have made education more accessible, ensuring a wider demographic of students benefit from the EdTech's quality education.

Within a span of five years, the platform scaled its user base from 250 students to 10,000+ students, provided placements to 5000+ students, with 28.5% students having more than two job offers.

Key lessons for other platforms

- Align curriculum with industry needs: Continuously update the curriculum to reflect industry trends, ensuring students gain relevant, in-demand skills.
- Incorporate practical experience: Provide real-world exposure through internships and live projects to enhance students' job readiness.
- Leverage strategic partnerships: Collaborate with academic institutions and government initiatives to increase reach and accessibility.
- Balance scalability with quality: Expand while maintaining high educational standards through industry collaborations and real-world learning opportunities.

4.3.3 EdTech's role in making education more accessible

69% of parents and 100% of teachers acknowledged that EdTech platforms have enhanced access to quality education, especially for students in rural and underserved areas.

Making education more accessible is considered one of the foundational pillars of EdTech as a concept and as a sector. EdTech platforms play a pivotal role in democratizing education and breaking barriers of geography, language, and socio-economic status.

EdTech curating content in multiple languages

The results from the assessment showed that almost all the leading EdTech players have integrated techniques to make education reach till the last mile. Content is being curated with regional languages in mind.

- 61% of students reported that the EdTech platform used by them supported regional languages extensively.
- Teachers reported using multiple languages as per the student's needs.
- Students' responses also showed diversity in the use of languages while accessing the content at the EdTech platforms.

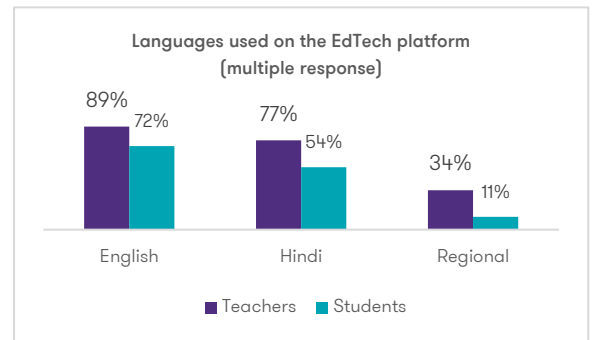


Figure 15 Languages used on the EdTech platforms (multiple response)

EdTech catering to the special needs of students

With respect to facilitating education suiting to the needs of differently abled students, EdTech platforms have played a significant role.

- 53% of the students and 47% of teachers confirmed that the EdTech platform they use extensively supports the needs of special students.
- 69% of parents agreed that the EdTech platforms make educational resources more accessible to children compared to traditional education methods.
- 98% of teachers noted a high or very high impact in reaching students from rural and marginalised backgrounds as well as enhancing the participation of female students.

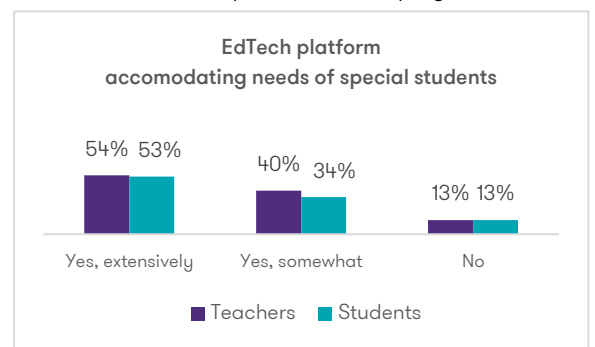


Figure 16 EdTech platform accommodating needs of special students

While the EdTechs are furthering the cause of making education accessible to all, a few challenges were identified in this respect:

- Special-needs accommodations are an area for growth. While 40% of teachers and 34% of students reported that platforms provided some support for differently abled learners, 13% stated there was no such provision.
- Connectivity challenges persist, especially in underserved regions, 25% of students and 44% teachers reported connectivity and technical issues as a challenge faced while using EdTech platform.

Regional language support is identified as a key enabler of accessibility to quality education facilitated through the EdTech platforms.

Case Study #2

A leading EdTech in personalised learning: Making quality education accessible

A prominent hybrid learning platform founded in 2021 under the vision of an educational conglomerate aims to make quality education accessible and personalised for learners across India. Catering to learners preparing for competitive exams such as JEE Main, JEE Advanced, and NEET, and foundation courses, the EdTech combines technology, expert faculty, and AI-powered features to deliver a tailored educational experience. With an emphasis on accessibility and quality, the platform is bridging gaps in traditional education to help learners succeed in their academic and professional journeys.

The approach

This Edtech recognised that one of the key challenges in modern education is providing learners with personalised learning experiences. They emphasise measurable learning outcomes, ensuring learners achieve tangible academic results. By combining online and offline education (classes, video lectures, practice tests, and study materials across subjects like mathematics, science, and English), the platform offers flexibility and accessibility, catering to diverse learning preferences.

Outcomes and impact

This EdTech's success can be attributed to its innovative use of technology to provide tailored learning solutions and its commitment to ensuring accessibility for all learners.

“Our goal is to provide personalized learning at scale, using technology to meet the unique needs of every learner. We aim to provide quality education to learners across cities in India, allowing them to access it at their convenience—whether at home, at a center, or at school—without the need to relocate to larger cities.”

- Founding CEO

Technology-driven personalisation	Accessibility and affordability	Driving measurable outcomes
The platform creates personalised learning journeys, helping learners progress based on their unique needs. Learners observed significant improvement in exam results with personalised learning.	This EdTech ensures education is affordable and accessible, particularly in remote areas. The platform offers high-quality education at affordable costs, as a result the platform now serves 7 million registered users, with over 750K actively subscribing for premium content, including those from rural and underserved regions.	The platform emphasises measurable learning outcomes, ensuring learners achieve tangible academic results. The platform's core learning philosophy focuses on helping learners grasp concepts and understand the practical applications of academic lessons beyond theories.

The organisation has accomplished significant milestones in the last three years, including achieving All India Rank 1 in NEET 2024, three ranks in the top 100 in JEE Main and All India Rank 6 in JEE Advanced 2024. It also garnered the Great Place to Work Certification twice (in May 2022 and March 2024), highlighting its positive workplace culture.

Key lessons for other platforms

- Focus on measuring outcomes: Embrace the philosophy that what can be measured can be improved. EdTech should implement robust monitoring and outcome-tracking measures.
- Iterate continuously: Regularly enhance the platform based on feedback and data to meet the evolving needs of learners and the industry.
- Empower teachers: Equip educators with the necessary tools and data to enhance teaching effectiveness.

4.3.4 EdTech's role in making education more affordable

Majority respondents, including 86% of students, 82% of parents, and 86% teachers considered EdTech platforms more affordable than traditional options. The availability of free or low-cost courses further reinforced the perception of EdTech as an economically viable alternative.

With India being a developing nation, affordability of education remains one of the most pressing concerns for the economy. With concepts like e-Learning, online learning and distance education gaining pace, cost of quality education has eased for the households.

- Most of the respondents in the survey reported that EdTech resources are very affordable and reasonably priced.
- 95% of parents reported that their decision to opt for EdTech platforms is based on the cost of the service being offered to them.

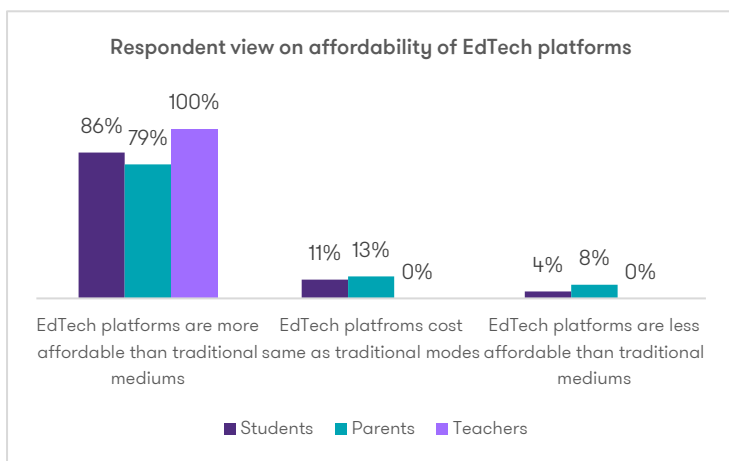


Figure 18 Respondent view on affordability of EdTech platforms

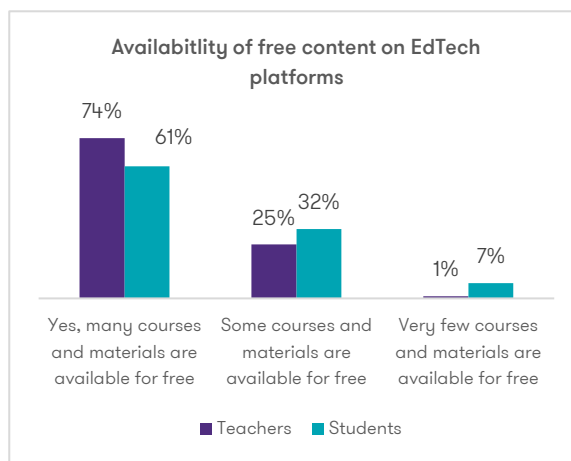


Figure 17 Availability of free content on EdTech platforms

EdTech is creating provisions for free content

Most of the EdTech platforms offer free content on their sites making education more affordable among the students as confirmed by both students and teachers. This free content offers high quality assurance as well as boosts the availability of educational content to the students coming from different socio-economic backgrounds.

- Majority of the students and teachers reported extensive availability of free educational content on EdTech platforms.
- 69% of students reported to avail free resources available at the EdTech platforms, indicating high usage of such content.

While the EdTechs are furthering the cause of making education affordable to all, some challenges were identified in this respect:

- Even though, education has become more affordable with advent of EdTech in the society but 38% of the parents, 30% of the students and 46% of the teachers still feel that the taxes being levied on such services is very high making the cost of many services higher.
- Especially, cost of availing quality services through these platforms then becomes higher when compared to the traditional counterparts which are supported by government subsidies and policies but lack quality services.

Cost of EdTech is one of the most crucial criteria among parents to keep their children enrolled to these platforms.

4.3.5 EdTech's role in advancing employment among the students

64% students feel that the EdTech are very effective in helping students get ready for the job markets. Parents and teachers also recognized the growing value of EdTech certifications, with 69% agreeing they hold relevance in the job market.

EdTech platforms have emerged as a crucial catalyst in enhancing student employability. Innovations are being introduced by different players to bridge the gap between skills and real-world job requirements.

- 94% of teachers believed that the EdTech platforms are instrumental in providing students with essential skills, thereby significantly boosting their job prospects.
- Additionally, EdTech platforms assist in test preparation for college admissions and government job exams, indirectly enhancing students' employment opportunities.
- 87% of students believed that EdTech platforms play a role in helping students get ready for the job market. Parents share a similar view, with 84% agreeing that these platforms effectively equip their children with real-world skills.

Ways to enhance student employability

Parents and teachers alike agree that EdTech platforms can prioritise three key areas to enhance student employability: technical skills such as coding, soft skills like communication, and creative skills, including content creation and design.

These fields are not only emerging but are also highly sought after in today's economy. By focusing on these areas, EdTech platforms can better prepare students for the evolving job market and ensure they possess the skills in demand.

4.3.6 EdTech industry as an employment generator

The EdTech industry plays a dual role in enhancing employment opportunities. Other than equipping individuals with the necessary skills to meet market demands, it also creates new opportunities for professionals, particularly in the academic space. This dual impact not only addresses current employment needs but also fosters a dynamic and evolving job market.

- 77% of teachers indicated that EdTech has significantly boosted job creation in the education sector.
- 63% of teachers highlighted the availability of numerous flexible opportunities, with another 33% noting some flexibility, indicating that the industry offers a supportive work environment, particularly beneficial for women seeking flexible working arrangements.
- Additionally, 78% of teachers in the survey confirmed that they received training support from the EdTech platform, which aids in enhancing their teaching skills and effectiveness.

With numerous flexible job opportunities, the EdTech sector is becoming a fertile ground for professionals in the education industry. Innovations are paving the way for enhancing student skills, thereby improving their employability.

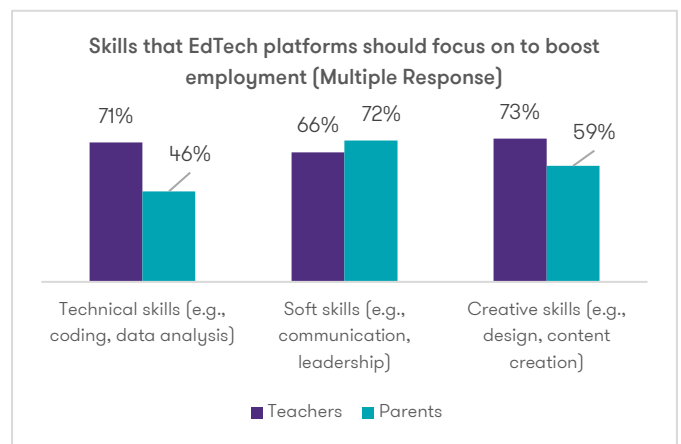


Figure 19 Skills that EdTech platforms should focus on to boost employment (multiple response)

Case study #3

Most sought EdTech platform for internships and jobs: Bridging skills and opportunities for employability

Founded in 2017, this prominent Edtech platform is designed to help students bridge the gap between academic knowledge and industry demands. With a focus on providing students access to skills development, real-world challenges, and employability opportunities, the platform has grown rapidly, attracting 19M+ active users and collaborating with 800+ brands, including leading global employers.

The approach

The platform recognised a significant gap in the education system where students were often unaware of the exact skills required by recruiters. They aimed to address this gap by offering skill-building programs and hands-on experiences in coding, data science, AI, and more, making students job-ready from day one.

Outcomes and impact

This EdTech's ability to create tangible value for students and employers has been key to its success. By focusing on practical skills, industry exposure, and free access to core services, the platform has become a preferred platform for students and recruiters alike. By making students aware of industry skill requirements and providing off-campus recruitment opportunities, the platform empowers learners to bridge the gap between academia and industry, ensuring the students are well-prepared for the demands of the modern workforce.

“Our mission is to democratize opportunities by breaking barriers for student across demographics, ensuring that talent, not privilege, defines success.”

- Vice President, Marketing & Growth

Bridging the skill gap	Democratising opportunities	Real-world exposure
Industry-relevant training: Focus on coding, data science, and AI. Day-one employability: Tailored tools align with recruiter needs. Actionable insights: 22M+ assessments to track and improve skills.	Inclusive access: Open to all institutions, fostering diversity. Free core services: Most resources are free, enabling 130K+ opportunities. Global reach: Presence in 78+ countries with 42K+ organisations.	Hackathons: Challenges with Flipkart and others connect students to top recruiters. Mentorship: Guidance from industry leaders boosts career readiness. Recruiter access: Partnerships with 800+ brands offer hands-on learning.

Key lessons for other platforms

- Align with industry needs: Design programs that directly address real-world challenges and industry gaps.
- Foster inclusivity: Avoid institutional hierarchies; focus on merit and accessibility.
- Promote hands-on learning: Real-world challenges enhance practical skills and career readiness.
- Build affordable solutions: Offering free or low-cost services ensures accessibility for all.
- Leverage collaborations: Strategic partnerships enhance credibility and opportunities for students.

A close-up photograph of a person's hands working at a desk. One hand is using a calculator, while the other is holding a pen over a document with various charts and graphs. The desk is cluttered with business-related items like a notebook, glasses, and a smartphone. The background is a bright, out-of-focus office space with large windows. A large, white, semi-transparent circle is overlaid on the image, framing the text.

5. Current challenges and resilience strategies

The EdTech sector in India, while it has a huge potential and expansion opportunities, faces a few challenges that hinder its ability to scale sustainably and inclusively. Insights gathered from interactions with EdTech representatives and surveys of service users reveal critical pain points across regulatory, operational, and user-experience domains. Addressing these challenges is crucial for the sector to achieve long-term impact and resilience.

5.1 Regulatory and policy challenges

5.1.1 Lack of a regulated environment

The Indian EdTech sector operates in an unregulated landscape, leading to an uncontrolled proliferation of content providers. While this has democratised access to educational resources, it has also resulted in varying levels of content quality and accuracy. This issue is particularly significant in a market where many parents, especially first-generation learners, rely on these platforms to provide credible and reliable educational support. The absence of regulatory oversight creates scope for misinformation, potentially harming students' learning outcomes and harming the credibility of the sector at large.

5.1.2 High tax burden

EdTech services in India are subject to high taxation, including GST at 18%, which significantly increases the cost of these platforms for end users. This is a substantial barrier, particularly for low-income households and students in Tier II and Tier III cities, where affordability is a major determinant for using such services. High taxes restrict the sector's ability to penetrate deeper into underserved markets, limiting the reach of quality education and widening the digital divide.

5.2 Operational challenges

5.2.1 Planning for long-term sustainability

The EdTech boom during the pandemic saw many companies scaling operations rapidly to cater to the surge in demand. However, as the market corrected in the post-pandemic period, many platforms found themselves unprepared for the downturn. This lack of a long-term vision has exposed vulnerabilities in their business models, particularly in terms of retaining users, maintaining growth, and ensuring profitability. The overreliance on short-term strategies has underscored the need for sustainable and adaptive planning in this dynamic sector.

5.2.2 High cost of customer acquisition

Customer acquisition remains one of the most significant challenges for EdTech platforms in a highly competitive market. Companies spend heavily on marketing, advertising, and outreach programs to attract users, which drives up operational costs. This reliance on high-cost strategies is unsustainable in the long term and affects profitability, especially for smaller players in the sector.

5.2.3 Regional and market fragmentation

India's linguistic, cultural, and geographic diversity presents a dual-edged sword for EdTech companies. While it offers a wealth of opportunities for market expansion, catering to these fragmented demands requires substantial investment in customisation. For example, content needs to be localised into multiple languages and adapted to suit regional curricula. The scale of this challenge is immense, given India's 22 official languages and varying educational standards across states. Failure to address these diversities can lead to uneven adoption and limited market reach.

5.3 User-centric challenges

5.3.1 Data and connectivity issues

Access to reliable internet remains a significant hurdle for students in underserved regions. Despite India's digital revolution, access to reliable and high-speed internet in rural households is still limited. This creates a barrier for students trying to access video-based or interactive content on EdTech platforms. The reliance on high-bandwidth solutions leaves these students at a disadvantage, creating a divide between urban and rural areas. 30% of the students in the survey reported high data cost and connectivity as a challenge while accessing EdTech services.

5.3.2 Limited personalised attention

The major concern highlighted by the parents in the survey was that EdTech platforms sometimes fail to address individual learning needs. 31% of parents surveyed cited the lack of personalised attention as a significant challenge observed in their child's learning experience on EdTech platforms.

5.3.3 Concentration challenges for students

Students, especially those transitioning from traditional classrooms, often report difficulties in maintaining focus during online learning sessions. The absence of structured schedules and physical classroom environments makes it harder for them to stay engaged. According to the survey, nearly 27% of students cited concentration as a significant challenge, with younger learners (in the K-12 category) being the most affected. 30% of teachers also reported ensuring engagement with students as a challenge.

5.4 Resilience strategies: Building a sustainable future

To overcome these challenges and foster sustainable growth, EdTech platforms are adopting a range of innovative and focused mitigation strategies. A significant emphasis is being placed on improving accessibility for underserved regions. Many EdTech players are actively designing and developing content optimised for low-bandwidth environments, ensuring that students in areas with limited internet access are not left behind. Offline access features, such as downloadable resources and app-based solutions that work in the absence of connectivity, are proving to be transformative in bridging this digital divide.

Additionally, recognising India's linguistic and cultural diversity, leading EdTech platforms are heavily investing in region-specific content creation. Tailoring learning materials to local languages and cultural contexts not only enhances engagement but also strengthens their foothold in India's fragmented market. These efforts are particularly impactful in Tier II and Tier III cities, where localised solutions drive greater adoption.

To retain competitiveness and credibility, EdTech players are increasingly leveraging cutting-edge technologies such as artificial intelligence (AI), augmented and virtual reality (AR/VR), and gamification. These tools enable the creation of personalised, immersive, and interactive learning experiences, addressing user concerns around engagement and personalisation. For example, AI-powered adaptive learning platforms can assess individual learning patterns and provide customised study paths, while AR/VR offers hands-on, experiential learning opportunities that replicate real-world scenarios.

Profitability and credibility in the EdTech sector now hinge on a shift toward sustainability. The industry is moving away from rapid expansion models to focus on long-term resilience. This includes prioritising quality over scale, emphasising robust content, and building trust with stakeholders. Many platforms are also adopting a blended learning approach, which combines the strengths of online and offline education to provide a more holistic learning experience.

By implementing these strategies, the Indian EdTech sector is positioning itself to transition from its current growth phase to a more stable and mature stage. This evolution will not only ensure inclusivity and quality in education but also foster a sustainable and impactful future for the industry.

A glowing Earth is held in two hands against a starry night sky. The Earth is illuminated from the right, showing the continents of Africa and Asia in a golden glow. The hands are positioned at the bottom, supporting the globe. The background is a dark blue and black space filled with stars and a bright light source on the right.

6. Learnings from India to the world

6.1 Core philosophies drive long-term success

One of the most crucial lessons from Indian EdTechs is the importance of adhering to the core philosophy on which an organisation is founded. A notable example is an EdTech platform that embedded affordability as a core value. This guiding principle influenced every phase of its expansion, enabling the company to scale efficiently while maintaining a competitive price point. By prioritising affordability, the organisation achieved economies of scale, sustained profitability, and remained relevant in India's highly price-sensitive market.

Another platform demonstrated the power of democratisation by offering free access to its services. Its strategy was to build a strong user base and create a community of students before monetising through value-added services. This approach not only attracted millions of users but also evolved into a broader solution addressing employment-related challenges. Its partnerships with major companies underscore how EdTech platforms can expand into workforce enablement, providing a roadmap for others to follow.

6.2 Innovations in pedagogy and technology

Indian EdTech platforms have consistently leveraged innovative pedagogical models and cutting-edge technologies to enhance the learning experience. Three standout strategies include:

6.2.1 Replicating old-school experiences in digital formats

Platforms that successfully emulate traditional classroom environments in virtual settings have witnessed greater adoption. Features like live interactive sessions, structured schedules, and one-on-one mentorship help bridge the gap between online and offline learning, catering to the needs of students and parents alike.

6.2.2 Maintaining strict control over quality

Ensuring the quality of teaching, content, and resources has been a defining factor for successful EdTech platforms. One organisation, for instance, actively tracks, monitors, and publishes learning outcomes, fostering trust among parents and students. This transparency, combined with an emphasis on high teaching standards, has helped establish credibility in a competitive market.

6.2.3 Strengthening conceptual foundations

Platforms focusing on foundational knowledge and skill development have gained significant traction. By prioritising concepts over rote learning, these organisations cater to students' long-term academic and professional goals, setting them apart from less structured competitors.

6.3 Lessons in scalability and sustainability

Scalability in India's vast and diverse market requires more than just technological prowess; it demands a deep understanding of user needs and an ability to innovate in delivery mechanisms. Indian EdTechs have shown that achieving economies of scale through a combination of affordability, localised content, and strategic partnerships can create sustainable business models. Additionally, focusing on long-term impact rather than short-term gains has enabled many companies to weather market fluctuations and remain profitable.

By applying these learnings, global EdTech players can craft strategies that address local challenges while leveraging the universal principles of affordability, accessibility, and innovation.



7 Way forward

As the EdTech sector in India matures, its stakeholders—including policymakers and service providers, must address emerging challenges and capitalise on opportunities for sustainable growth and equitable impact. This chapter provides actionable recommendations tailored to each stakeholder group, aiming to ensure that EdTech continues to be a transformative force in education.

7.1 Insights for policymakers

7.1.1 Reconsideration of GST on EdTech services

High GST rates (currently 18%) hinder affordability and adoption, particularly for students and families in low-income and rural areas. Policymakers should explore reduced GST rates for EdTech services, drawing inspiration from global examples like France and Germany, where tax exemptions are granted for education-related services. A progressive tax structure could also be introduced to differentiate between luxury and essential education services.

7.1.2 Targeted financial support to advance outreach in underserved areas

The government can play a catalytic role by providing financial incentives, such as grants or subsidies, to EdTech platforms delivering services in underserved areas. This targeted support aligns with the government's flagship programs like Digital India and PM eVidya, which aim to bridge the digital divide and ensure equitable access to quality education. By incentivising EdTech platforms to innovate for remote and low-resource settings, the government can accelerate the strengthening of rural education infrastructure and foster socio-economic development in marginalised regions.

7.1.3 Leveraging EdTech to achieve NEP 2020 goals

EdTech platforms can play a pivotal role in realising the objectives of the NEP 2020, including universal access to quality education and skill development. Policymakers should foster collaborations between EdTech companies and public institutions to deliver tailored digital solutions, especially in regional languages, that address NEP's vision for inclusivity and quality. Public-private partnerships could amplify these efforts, ensuring resources reach the last mile.

7.2 Suggestions for service providers

7.2.1 Adopting hybrid learning models

The recent trends in the usage of EdTech services and a shift in students' preferences towards the traditional modes of education post pandemic reinforce the need for a blended approach that combines the strengths of online and offline education. Though the majority (61%) of the students surveyed indicated a preference for online modes of learning, 38% mentioned a hybrid model as a preferred choice. Hybrid models can cater to students' diverse learning preferences, facilitate hands-on learning experiences, and build stronger teacher-student connections.

7.2.2 Enhancing accountability and transparency

Building trust with users, particularly parents and educators, requires clear communication of learning outcomes and the credibility of certifications. Platforms should adopt mechanisms like third-party content validation, periodic reporting of student progress, and accessible grievance redressal systems to build a lasting relationship and establish trust.

7.2.3 Addressing skill gaps and strengthening industry relationships

With schools reopening and offline mediums capturing the markets, the next big segment for EdTech is the skilling space. EdTech platforms, to gain a competitive edge and stay relevant, should prioritize skill development aligned with industry needs. This includes offering courses in high-demand areas such as coding, AI, data analytics, and soft skills. Collaborations with industry leaders and corporations can ensure that certifications hold real-world value and provide pathways to employment opportunities.

7.2.4 Strategic rethinking for sustainability

The pandemic-driven surge in EdTech adoption has plateaued, necessitating a long-term strategic realignment. Companies must focus on sustainable growth, balancing scale with quality. Diversifying offerings to include regional content, affordable pricing models, and services tailored to specific user groups will be critical to navigating the evolving market.

7.3 Suggestions for enhancing ecosystem sustainability and equity

7.3.1 Promoting responsible use of technology

As EdTech platforms increasingly leverage AI and data-driven technologies, ensuring data privacy, ethical AI use, and cybersecurity becomes paramount. Companies should adopt transparent data policies, prioritise user consent, and adhere to national and international data protection regulations to build user confidence.

7.3.2 Developing last-mile solutions

Bridging the digital divide requires innovative solutions that cater to low-resource settings. Platforms should develop content compatible with low-bandwidth environments, offline access features, and affordable subscription plans. Tailored initiatives for rural and remote learners, such as mobile-based learning modules and vernacular content, can further enhance reach and equity.

7.3.3 Strengthening collaborations across stakeholders

A robust EdTech ecosystem thrives on collaboration. Platforms, policymakers, educational institutions, and non-governmental organisations must work together to ensure the sector's sustainability. Collaborative models for teacher training, research on learning outcomes, and regional impact assessments can drive collective progress.

About Internet and Mobile Association of India

The Internet and Mobile Association of India (IAMAI) is a not-for-profit industry body with over 600 members, including Indian and multinational corporations, as well as start-ups. IAMAI has been instrumental in shaping India's digital economy. IAMAI advocates free and fair competition, and progressive and enabling laws for businesses as well as for consumers. The overarching objective of IAMAI is to ensure the progress of the internet and the digital economy. Its major areas of activities are public policy and advocacy, business to business conferences, research, promotion of start-ups and promotion of consumer trust and safety.



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