



ASSESSING THE OVERSEAS EDUCATION MARKET POTENTIAL FOR INDIA AND SELECT OTHER ECONOMIES

5TH NOVEMBER, 2024

FROST & SULLIVAN

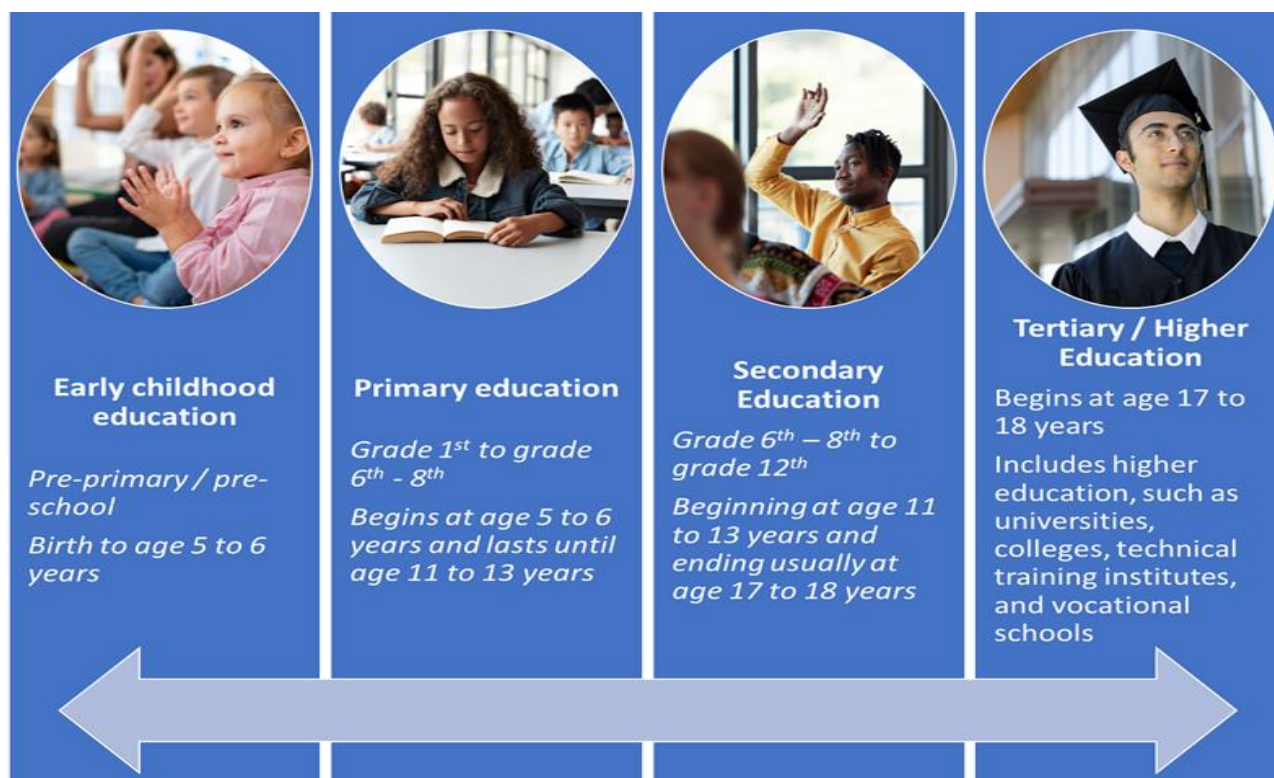


TABLE OF CONTENTS

1. Global Economic Outlook.....	3
1.1. Global GDP Growth	3
1.2. GDP growth rate of Key Select Economies, Global, 2022 - 2025	4
GDP growth rate of Key Select Economies, Global, 2023-2025	6
1.3. Key Trends Impacting growth going forward:	8
1.4. Key Macroeconomic Trends Affecting Consumer Spending Globally	9
1.5. Disposable income worldwide is on the upswing	10
1.6. India: World's Fastest Growing Economy	12
1.6.1. Demographic Trends in India - Rising Middle-Class Income Levels	13
1.7. Increasing Enrolment Ratio in Higher Education Globally	14
2. Global Education Economy Overview	18
2.1. Spend on Foreign / Overseas Education Globally	19
2.2. India: Total students pursuing higher education abroad & spend	20
2.3. Market drivers, restraints, and opportunities influencing the Global Foreign education industry	26
2.4. Growing enrollment/admission of international students in universities in UK, USA, Canada, Ireland, Australia, and New Zealand at Undergrad and Post Graduate level	28
3. Indian Education System.....	34
3.1. Indian Education Sector Overview: Total student across schools / universities	35
3.2. Indian Education Sector Overview: Schools, Colleges & Universities	36
3.3. Indian institutions at each level	38
3.4. Boosting Investment in India's Education Sector	39
3.5. Indian Students Studying Abroad	40
3.6. Education Trends	42
3.7. Rising number of Students taking TOEFL & IELTS	44
3.8. Indian government and other scholarships and fellowships	46
4. UK Education Industry Overview	47
4.1. Size and Growth of UK Education Industry	48
4.2. University Landscape (No. of Universities, Average no. of courses offered etc.)	49
4.3. Share of international students in undergraduate and postgraduate courses.	51
4.4. International students by home country	52
4.5. Key factors that attract students to the UK (VISA, Employability, Courses etc.)	53
5. Related Markets / Services	54
5.1. India - Total overseas education expenditure split	54
5.2. India: Student Visa Market Potential	56
6. Competitive Landscape	58

Définitions

Different levels of education defined as follows :



UNESCO Definition:

UNESCO defines secondary education as one which exists between primary education and higher education. Students enter secondary education as children and depart as young adults at the age of 17 or 18, ready to enter university. In most Asia-Pacific countries, secondary education lasts six or seven years. It is usually divided into lower secondary and upper secondary.

Other definitions have secondary education as the second stage in formal education, beginning about age 11 to 13 and ending usually at age 15 to 18.

UNESCO defines higher education as all types of education at the post-secondary level, including academic, professional, technical, artistic, pedagogical, and long distance learning. It also includes training and research guidance at institutions such as universities that are authorized as higher education institutions by state authorities.

UNESCO defines tertiary education as education that takes place after secondary school, and is also known as "third level" education. It includes academic education, advanced vocational education, and higher vocational education.

1. Global Economic Outlook

The global macroeconomic outlook is, in many ways, a reflection of the collective progress and resilience of nations around the world. While challenges persist, there is ample room for optimism as we assess the current state of the global economy. The most significant recent event shaping the global economic landscape has been the COVID-19 pandemic. While its impact was profound, the world has shown remarkable resilience in the face of adversity. Vaccination campaigns, effective public health measures, and unprecedented economic stimulus packages have paved the way for a robust recovery.

In 2024, the global macroeconomic environment faced both challenges and stabilization efforts, influenced by a mix of economic, geopolitical, and environmental factors. Many advanced economies grappled with the lingering effects of inflation from previous years, although some relief came as central banks cautiously adjusted interest rates to support economic growth while avoiding overheating. Emerging markets showed resilience, partly due to robust domestic consumption and export demand, yet were impacted by volatile commodity prices and currency fluctuations. Trade tensions and economic sanctions continued to shape international relations, especially between major powers, affecting global supply chains and energy markets. Additionally, climate-related disruptions—from extreme weather events to stricter environmental regulations—had economic ramifications, compelling governments and businesses worldwide to prioritize sustainable investments. Overall, while economic growth was modest and uneven, 2024 demonstrated a continued, if cautious, recovery path with heightened focus on resilience and sustainability across economies.

The global higher education landscape has been greatly affected by COVID-19, leading to disruptions like border closures and a transition to online learning. This has prompted numerous international students to reconsider or delay their plans to study abroad, impacting institutions that heavily depend on foreign student fees. Despite these challenges, there is an anticipated increase in the demand for international education. This offers higher education institutions and governments a chance to reevaluate their strategies, requiring adjustments in policies and programs to adapt to the changing circumstances.

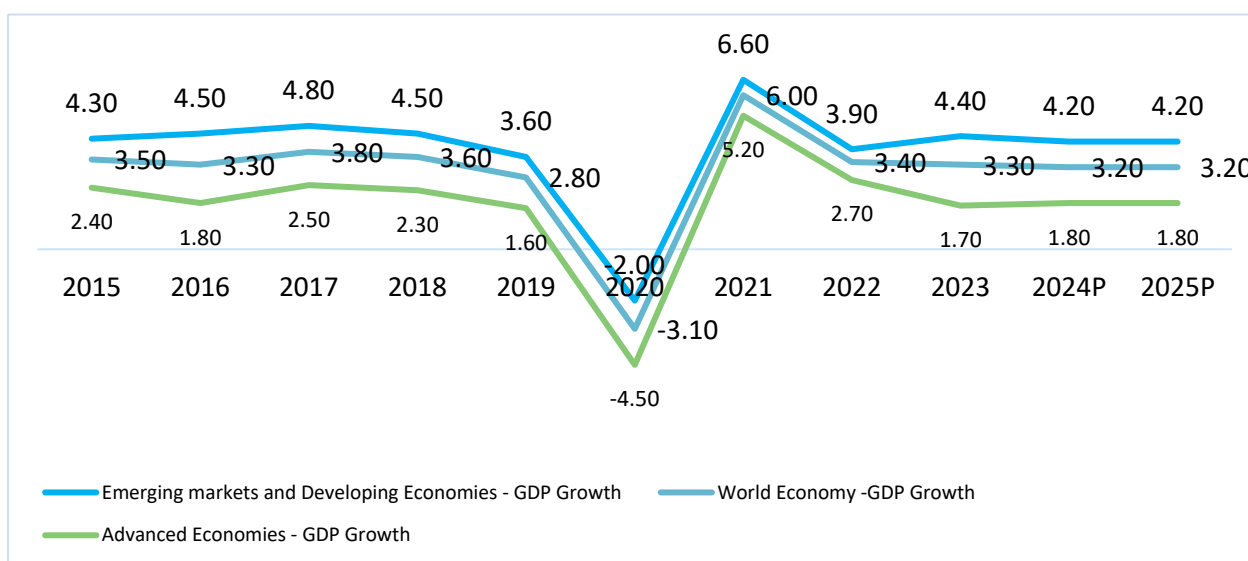
1.1. Global GDP Growth

The global macroeconomic outlook reflects a complex interplay of growth opportunities, inflationary pressures, geopolitical uncertainties, and shifting monetary policies.

The global economy is navigating a delicate balance between slowing growth and persistent inflation, with regional disparities becoming more pronounced. Geopolitical risks and energy market volatility remain key concerns, but opportunities in technology and sustainability offer potential for future resilience. Policymakers will need to carefully navigate these challenges to ensure a stable economic outlook into 2025.

The IMF reports a slight dip in worldwide economic growth, from 3.3% in 2023 to 3.2% in 2024, with projections suggesting this rate will hold steady through 2025.

Exhibit 1: Global GDP Growth, CY 2015-25 (in %)



*Note: Advanced economies include regions such as United States, Germany, France, Italy, Spain, Japan, United Kingdom
Emerging economies include regions such as China, India, ASEAN-5, Russia, Brazil, Mexico, Saudi Arabia, Nigeria, South Africa
Source: IMF, World Economic Outlook (WEO), October 2024*

Global growth, was at 3.3% in 2023, is expected to slightly decline in 2024 at 3.2% and stay the same at 3.2% in 2025. The forecast remains below the historical annual average (2000–19) of 3.8%, influenced by tighter monetary policies, trade disruptions, geopolitical tensions and low productivity growth.

Advanced economies are expected to experience a slight uptick in growth, rising to 1.8 per cent in 2024 and stay the same in 2025. After a rebound driven by reopening in 2022, growth in advanced economies slowed significantly in 2023 and is expected to remain steady, fluctuating between 1.7 and 1.8 percent through 2029. This apparent stability, however, masks differing dynamics across countries, as various cyclical factors wind down and economic activity realigns with long-term potential.


Emerging and developing economies: The projected growth rate for 2024 is anticipated to decline a bit at 4.2 percent, and remain steady in 2025 at 4.2 percent.

China's economic outlook appears modest, with GDP growth expected to slow to 4.8% in 2024 and 4.5% in 2025. Structural challenges, including debt imbalances and weaker global demand for exports, pose risks to its long-term growth trajectory.

India is forecasted to maintain its position as the fastest-growing major economy globally. Albeit down from 8.2% in 2023, India is projected to maintain its robust growth at 7% in 2024, driven by strong domestic consumption, investment in infrastructure, and a thriving services sector, making it the fastest-growing major economy globally.

1.2. GDP growth rate of Key Select Economies, Global, 2022 - 2025

Various geopolitical challenges pose significant hurdles for global economies, encompassing the enduring Russia-Ukraine conflict, the Israel-Palestine dispute, heightened tensions between China and Taiwan, climate-induced catastrophes, and the rise of unpredictable and progressively protectionist trade measures. These strains reverberate across economies, manifested through inflationary pressures leading



to subsequent interest rate adjustments, disruptions in supply chains, spikes in energy prices, and a buoyant labor market.

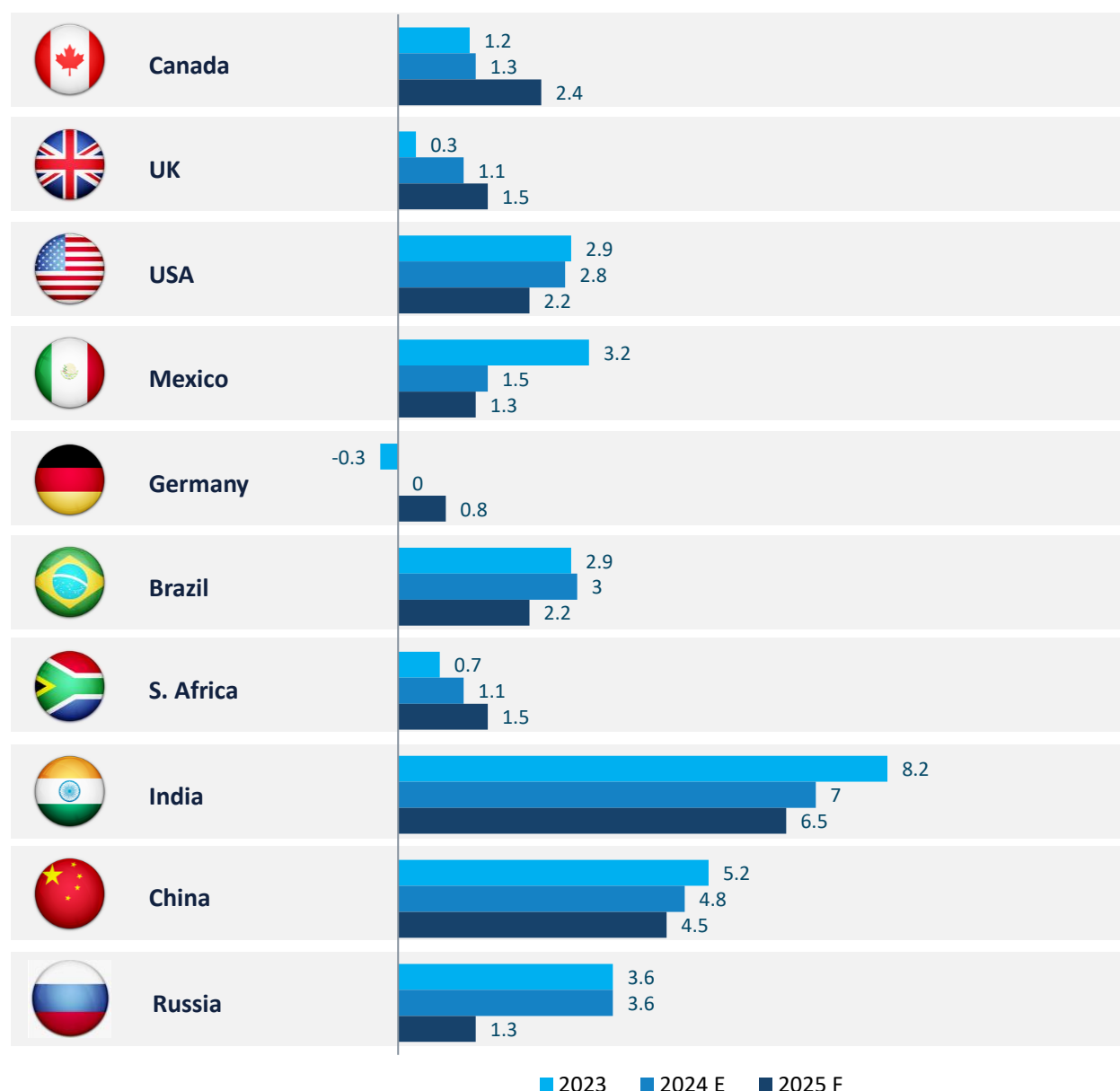
The course of the Russia-Ukraine conflict will influence Russia's capacity to engage in trade with NATO nations and the accessibility of affordable Russian gas to various regions globally. Escalating international tensions and trade disputes may impede progress toward greater international collaboration and trade expansion. Any disturbance in the trade dynamics between the United States and China, for instance, will have widespread repercussions.

The escalating Israel-Palestine conflict, along with rising tensions between Israel and Iran, poses serious risks to both regional and global economies, particularly through its potential impact on oil and energy prices. Given the Middle East's role as a critical hub for global oil production and supply routes, prolonged instability could disrupt oil flows, pushing up prices and increasing energy costs worldwide. Such disruptions would heavily impact energy-dependent economies, especially in Europe and Asia, and could further exacerbate inflation, straining both businesses and consumers. The heightened risk premium on oil could lead to volatile financial markets, deter foreign investment in the region, and potentially slow global economic growth. If sanctions or broader international involvement emerge, these economic pressures could intensify, with ripple effects across various industries reliant on stable energy prices.

Countries such as India and China are expected to witness the highest growth owing to the economic resurgence backed by the services and manufacturing sector respectively.

GDP growth rate of Key Select Economies, Global, 2023-2025

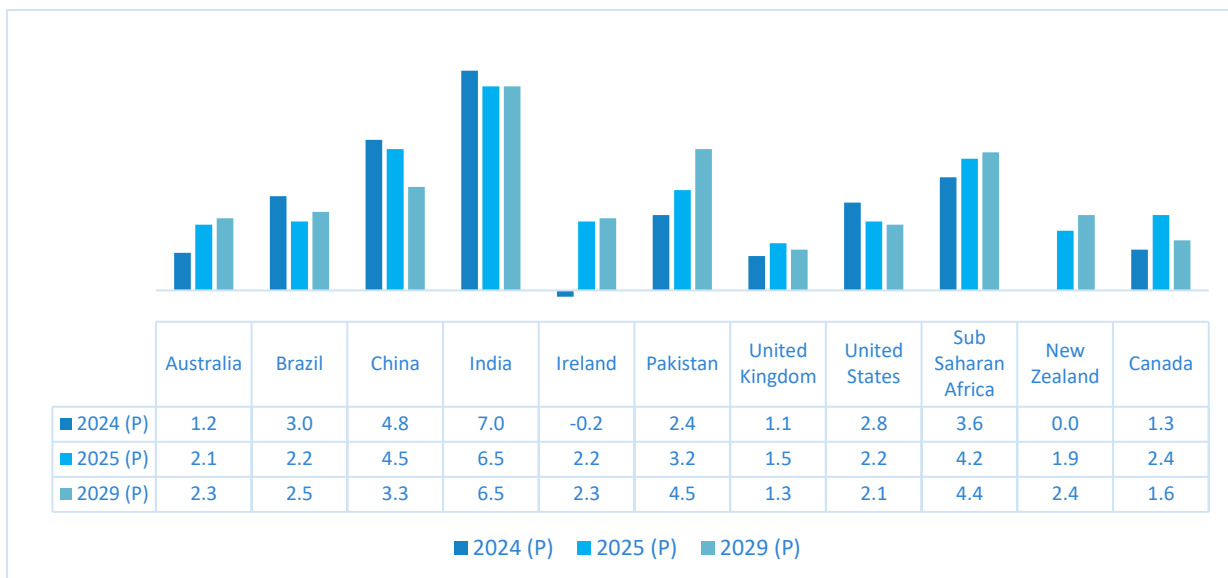
Exhibit 2: GDP Growth, Key Countries, Global (CY 2023, CY 2024(P), CY 2025(P))



Note: GDP Growth rates are expressed in percentage; SOURCE: IMF, October, 2024 World Economic Report
E- Estimates. F- Forecast

The economic data spanning reflects a spectrum of trends across nations. Australia experienced a recovery with a deceleration in growth by 2023. Brazil rebounded from a pronounced contraction in 2020. India, following a substantial 2020 contraction, displayed a robust recovery, albeit with a slowdown in 2023. Ireland's growth, significant in 2021, saw a moderation in 2022 and a further decline in 2023. The United Kingdom grappled with a significant contraction in 2020, witnessing minimal growth by 2023. The United States rebounded in 2021 but exhibited moderated growth in 2022 and 2023, underscoring the intricate impact of the COVID-19 pandemic and subsequent economic recoveries.

Exhibit 3: Real GDP Growth Forecasted, Key Countries, Global (2024F, 2025F, 2029F)



Note: GDP Growth rates are expressed in percentage; F- Forecast
Source: IMF, October 2024

The United States maintains its dominance as the leading global economy and wealthiest nation, consistently maintaining its top position from 1960 to 2023. Its economy exhibits notable variety, driven by key industries such as services, manufacturing, finance, and technology. With a significant consumer base, a culture of innovation and entrepreneurship, robust infrastructure, and favourable business environments, the United States stands out as a formidable economic powerhouse.

In the United States, the projected growth rate for 2024 has been revised upward to 2.8 percent, which is 0.2 percentage points higher than the forecast made in July, 2024. This revision is attributed to stronger performance in consumption and non-residential investment. The resilience in consumption is primarily driven by significant increases in real wages, particularly among lower-income households, as well as positive wealth effects. Besides, the US Federal Reserve also announced rate cuts in September 2024 for the first time in more than four years citing lower inflation expectations and a slowing jobs market. This also marked the end of the central bank's monetary tightening cycle. This move is expected to stimulate economic growth, lower financing costs and encourage borrowing and investing.

However, growth is expected to decelerate to 2.2 percent in 2025 as a cooling labor market dampens consumption.

China has experienced a significant rise in its economic advancement, climbing from fourth place in 1960 to second place in 2023. The Chinese economy relies mainly on manufacturing, exports, and investments. It boasts a large workforce, strong government support, infrastructure improvements, and a rapidly growing consumer market.

China's economic outlook appears modest, with GDP growth expected to slow to 4.8% in 2024 and 4.5% in 2025. Despite continued weakness in the real estate sector and low consumer confidence, growth is expected to have slowed only slightly to 4.8 percent in 2024, primarily due to stronger-than-anticipated net exports. However, structural challenges, such as debt imbalances and softer global demand for exports, threaten the country's long-term growth outlook. A deeper or more prolonged downturn in China's property market, particularly if it triggers financial instability, could further dampen consumer confidence and create negative spillover effects globally, given China's substantial role in international trade.

In 2024, India holds the fifth position in the global GDP rankings. The Indian economy showcases diversity and rapid expansion, driven by vital sectors like information technology, services, agriculture, and manufacturing. Leveraging its extensive domestic market, a young and tech-savvy workforce, and a growing middle class, India capitalizes on its strengths for continued growth.

India is forecasted to maintain its position as the fastest-growing major economy globally. Albeit down from 8.2% in 2023, India is projected to maintain its robust growth at 7% in 2024, driven by strong domestic consumption, investment in infrastructure, and a thriving services sector, making it the fastest-growing major economy globally.

The United Kingdom, is expected to witness an uptick in GDP growth to 1.1 percent in fiscal 2024 as compared to 0.3 percent in 2023, and it is projected to further increase to 1.5 percent in 2025.

The United Kingdom is witnessing a mix of domestic and global challenges, including persistent inflation, high interest rates, and a tight labor market, which affected both consumer spending and business investment. Trade uncertainties related to Brexit continued to impact certain sectors, while the energy crisis and cost-of-living pressures weighed on consumer confidence. However, sectors like technology, renewable energy, and healthcare showed resilience and helped offset some economic drag. Government initiatives to support innovation and infrastructure development also contributed positively, but overall growth remained subdued amid broader economic headwinds.

1.3. Key Trends Impacting growth going forward:

Slowing Growth with Regional Divergences: Global growth is expected to moderate in 2024, following strong rebounds from the pandemic-induced slowdown. The IMF has revised growth projections down slightly, anticipating the global output to grow at 3.2% in 2024, down from 3.2% in 2023. While emerging markets, particularly emerging and developing Asia (led by India and China), continue to grow robustly, their growth rates are also expected to decline from 5.7% in 2023 to 5.3% in 2024 and further to 5% in 2025. Advanced economies, including the Eurozone and the U.S., are seeing slower growth due to tighter monetary policies and persistent inflation.

Geopolitical Risks: While the ongoing Russian-Ukraine conflict remains a major source of instability in Europe, with continued disruptions to global energy markets and food supplies, recent flare-ups in the Middle East, including conflicts involving Israel and Iran, have heightened regional risks. These tensions are affecting oil markets and fueling global energy price volatility.

Persistent but Easing Inflation: Inflation remains elevated in many regions due to lingering supply chain issues, labor market tightness, wage pressures, geopolitical tensions (e.g., the Russia-Ukraine war, Middle East situation), and high energy prices. However, inflation has begun to ease in most advanced economies due to aggressive monetary tightening (interest rate hikes) by central banks like the U.S. Federal Reserve, European Central Bank (ECB), and Bank of England. Some emerging markets continue to face higher inflation rates due to weaker currencies, higher import costs, and commodity price fluctuations. By 2025, inflation in many advanced economies is expected to fall closer to central bank targets (around 2%) as monetary policies continue to cool demand. The effects of tighter financial conditions and improved supply chains are projected to bring inflation down from the current levels.

Commodity Markets: Commodity markets have shown mixed performance, with energy prices seeing volatility while metals and agricultural commodities stabilize. The green transition is reshaping demand

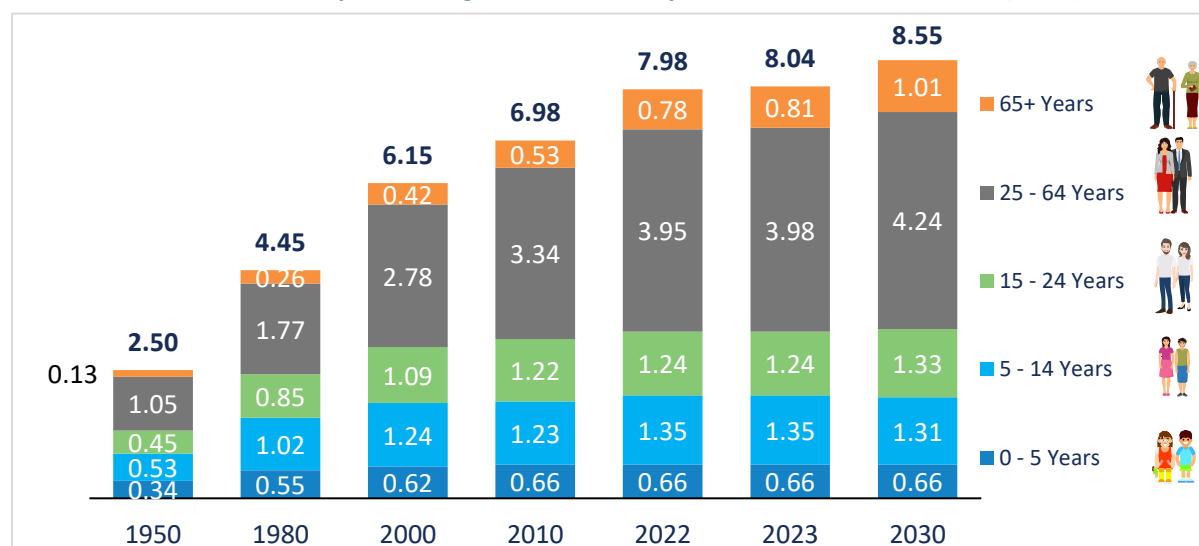
for key resources like lithium and copper, essential for renewable energy and electric vehicle production, creating both challenges and opportunities for resource-rich economies.

Emerging Opportunities: Despite headwinds, there are opportunities in digital transformation, green energy investment, and infrastructure development. Emerging markets, particularly in Asia, are expected to lead in growth, driven by domestic consumption, digital innovation, and favorable demographic trends. Global investment in sustainable industries is also expected to pick up pace, contributing to long-term growth.

1.4. Key Macroeconomic Trends Affecting Consumer Spending Globally

Rising Young Population: The expanding demography of young individuals has a propensity for financial prudence as they face constraints on their income. However, projections indicate that their substantial population size (a population of 1.24 billion in 2023 in the age group of 15-24 years rising to 1.33 billion by 2030) and individual spending levels are anticipated to undergo substantial growth by 2030. The substantial demographic of young individuals, numbering 1.2 billion globally, presents opportunities for both labor supply and consumer demand. The youth are fostering a culture characterized by creativity, entrepreneurship, and diversity. With the continuous growth of the global youth population, empowering young individuals has emerged as a crucial cross-cutting theme for achieving all Sustainable Development Goals (SDGs). Investing in young people yields a powerful multiplier effect. Numerous countries are adopting a growing array of tangible strategies to enhance employment opportunities for both young women and men, particularly focusing on the more vulnerable youth. Roughly half of these measures concentrate on bolstering labor demand to increase youth employment, while others prioritize supply-side interventions aimed at enhancing the education and skills of young individuals.

Exhibit 4: Population age structure analysis, Global, CY 1950 - 2030 (in Bn)



Source: <https://ourworldindata.org/>

Growing Middle Class: The rise of an ambitious and progressively discriminating middle class in many countries across the globe represents a highly noteworthy social and demographic phenomenon in the 21st century. Fifty years ago, this cohort of global consumers predominantly resided in Western nations. Currently, there is a growing global dispersion of these individuals, accounting for around 45% of the total global population. It is projected that the expansion of the middle class will persist, and their spending will increase from approximately \$37 trillion in 2017 to \$64 trillion by the year 2030. This rise is anticipated

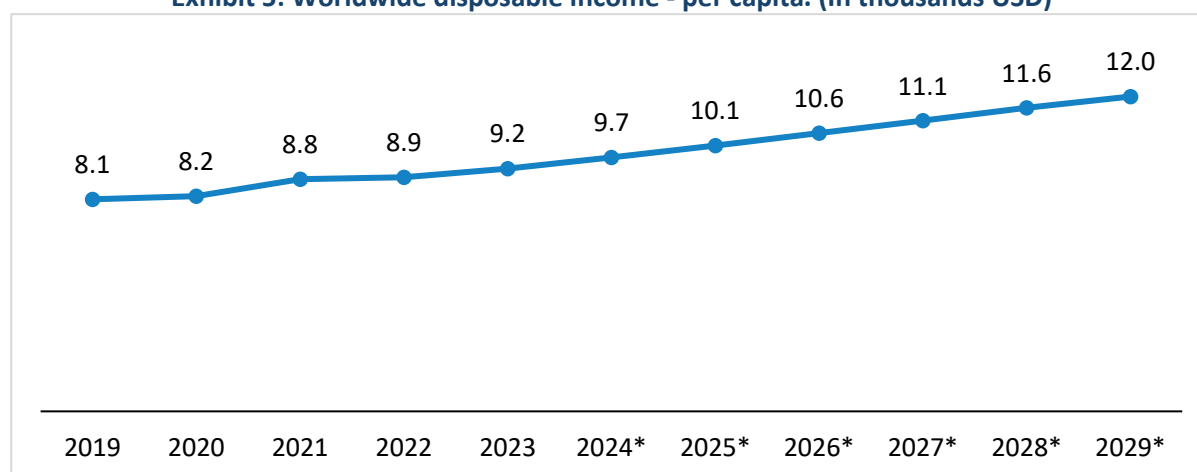
to contribute to one-third of the overall growth in the global GDP. The primary driving force behind this phenomenon will be the expanding consumer base in emerging economies.

Growing Disposable Income: The increase in global per capita income, particularly in emerging economies, has led to a significant rise in consumer demand. According to estimates, the rate of disposable income in these countries is projected to exceed that of developed nations in the next decade. From 2019 to 2030, the number of households in developing countries with an annual disposable income in the range of USD 45,000 to USD 100,000 (PPP) is projected to increase by 5.6% per year on an average. This growth significantly surpasses the anticipated average annual growth of 1.2% for the overall number of households. Further, as we transition to pre-pandemic levels of spending, an increased spending is being witnessed owing to lifestyle changes, rising wages and the general financial health of the middle-class population.

Increase in Discretionary Spending: The contribution of discretionary spending to economic growth is substantial, since it plays a crucial role in stimulating consumer spending, which constitutes around 40% of the global economy. Despite uncertainties around growing interest rates and inflation, global discretionary spending appears to increase in recent years. Additionally, consumers are dipping into their savings to pay for services they overlooked during the pandemic.

1.5. Disposable income worldwide is on the upswing

Exhibit 5: Worldwide disposable income - per capita. (In thousands USD)

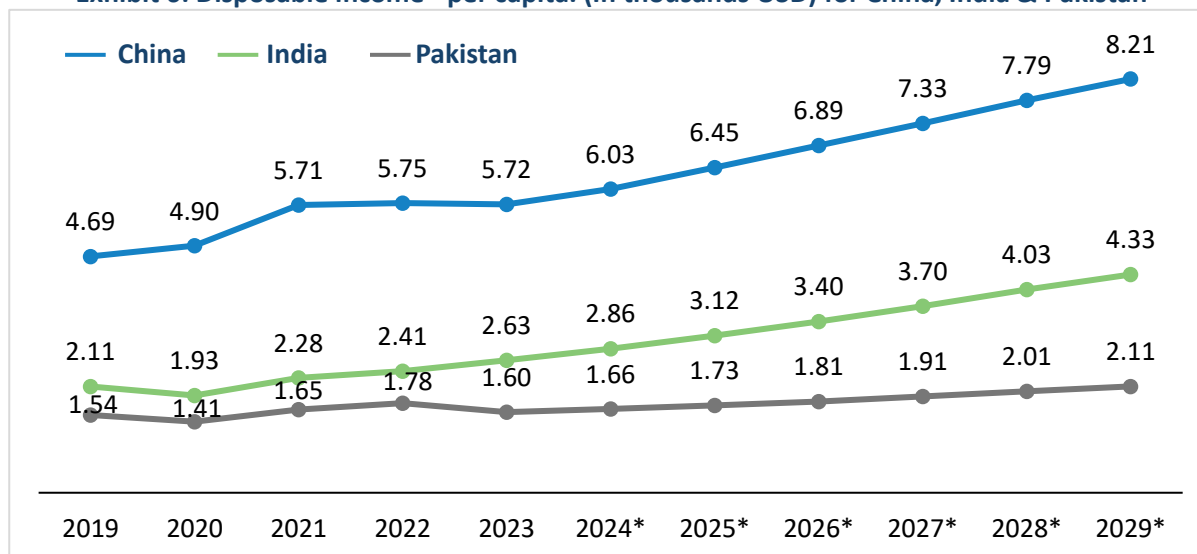


* Forecasted

Source: Statista Market Insights, World Bank, OECD, Eurostat, World Bank PovcalNet, WID - World Inequality Database

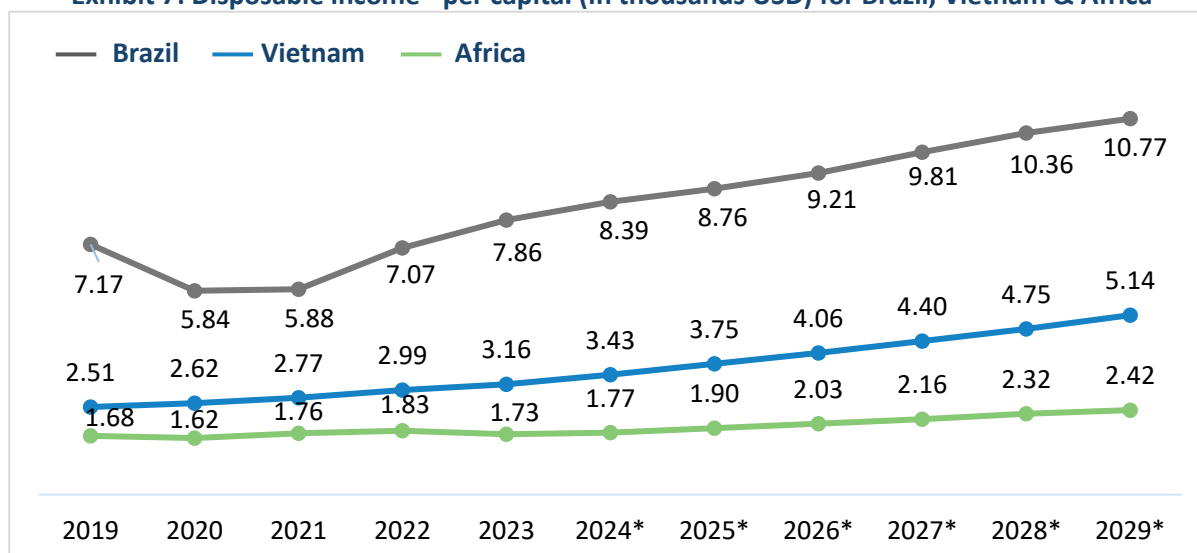
The information illustrates a steady rise in disposable income between 2019 and 2029, climbing from USD 8.1 to 12 thousand. Although there are variations in annual fluctuations, the general trajectory is positive. Disposable income significantly influences the extent to which individuals and households can allocate funds for education-related expenses. This residual income, calculated after deducting taxes and mandatory deductions, is earmarked for discretionary spending, including educational costs.

Exhibit 6: Disposable income - per capita. (In thousands USD) for China, India & Pakistan



Source: Statista Market Insights, World Bank, OECD, Eurostat, World Bank PovcalNet, WID - World Inequality Database

Exhibit 7: Disposable income - per capita. (In thousands USD) for Brazil, Vietnam & Africa



Source: Statista Market Insights, World Bank, OECD, Eurostat, World Bank PovcalNet, WID - World Inequality Database

An increase in disposable income fuels growth in the international education market by expanding the pool of students able to afford and pursue educational opportunities outside their home countries. Increased disposable income can lead to a shift in preferences towards higher-quality education, potentially favouring institutions or programs abroad known for their academic excellence or specialized offerings. Further, international education often comes with significant expenses including tuition fees, living costs, and travel expenses. With higher disposable income, individuals find it easier to afford these costs, making studying abroad a more feasible option.

India and China figure as the top source countries for students moving abroad for higher education, and both these countries are expected to witness a tremendous uptick in their disposable income. India is expected to increase its per capita disposable income from USD 2.63 thousand in 2023 to USD 4.33

thousand by 2029 at a CAGR of 8.7%, while for China its expected to increase from USD 5.72 thousand in 2023 to USD 8.21 thousand by 2029.

The demand for affordable and accessible international education is on the rise in India, fueled by the expanding middle class and limited domestic options. The United States has once again become the preferred destination for Indian students, closely followed by Canada, owing to factors like high-quality education and promising career opportunities. Germany has also emerged as a promising education hub, offering scholarships and post-study benefits. The United Kingdom has also emerged as a highly sought-after destination for international education as it sets high academic standards and is home to some of the world's best universities.

The increasing affluence of the Indian middle class has led to a notable increase in spending on overseas education. As incomes rise, families are prioritizing investments in education as part of their aspirations for a better lifestyle. Indian students collectively spend around USD 6-7 billion annually on foreign university education, with a significant contribution from the middle class.

As much as 57 per cent of the Indian middle-class population (with an annual household income fo INR 3 Lakhs – 10 Lakhs) is inclined to study abroad, per a recent industry survey

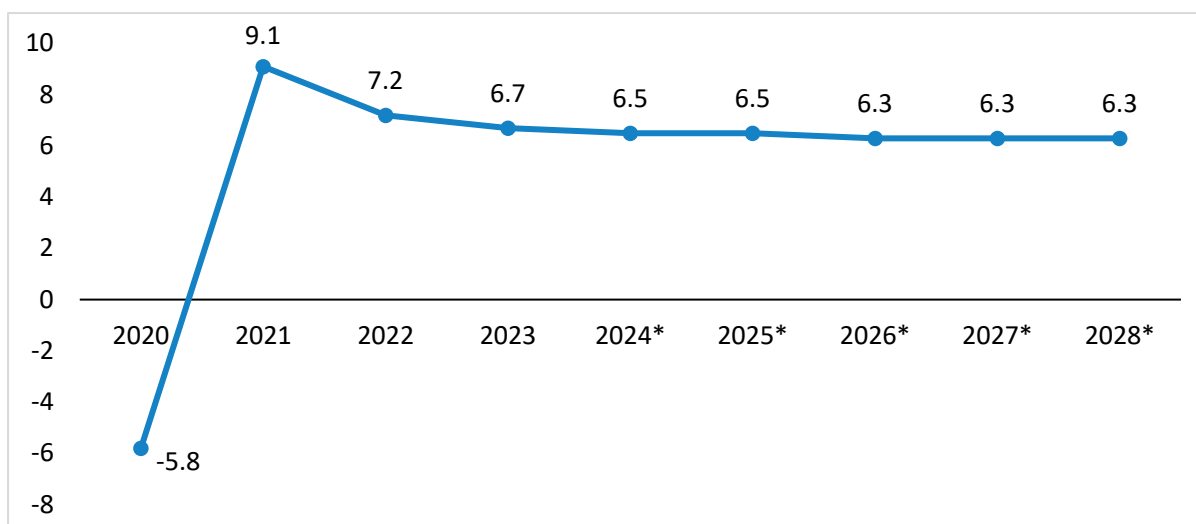
However, it's essential to note that despite the middle class driving spending on foreign education, India's overall expenditure on education remains below 3.5% of its GDP, falling short of the 6% target outlined in the National Education Policy 2020. In conclusion, while the burgeoning middle class plays a significant role in foreign education expenditure, there is a critical need for increased investment in education across the count

1.6. India: World's Fastest Growing Economy

India's GDP growth was 8.2% in 2023 and is projected at 7.0% in fiscal year 2024 and 6.5% in fiscal 2025 because pent-up demand accumulated during the pandemic has been exhausted.

In fiscal 2024, India's economy showed robust performance, positioning it as one of the fastest-growing major economies. This resilience was driven by strong domestic consumption, a rebound in private sector investment, and continued government spending on infrastructure. Sectors like manufacturing, services, and technology saw substantial growth, aided by policies that fostered foreign investment, digitalization, and economic reforms. India's focus on expanding its manufacturing base under the "Make in India" initiative, coupled with increasing global interest in diversifying supply chains away from China, further bolstered industrial output. Additionally, the recovery of rural demand, supported by a good monsoon season and government subsidies, provided a steady foundation for growth. However, challenges such as inflationary pressures, a fluctuating global economic environment, and energy price volatility persisted, which the government managed with a mix of monetary and fiscal measures.

Exhibit 8: Indian Real GDP Growth (2020 E – 2028 F)



* Forecasted

Source: IMF, January 2024

1.6.1. Demographic Trends in India - Rising Middle-Class Income Levels

Over the next ten years, India's middle-class demographic is expected to expand, contributing to increased consumer demand and expenditure. By 2030, it is projected that the upper and lower middle classes will make up approximately 43.5% (up from 20.8% in 2018) and 34.2% (up from 33.1% in 2018) of the population, respectively. With the growth in disposable income, discretionary spending is anticipated to surge, leading to an uptick in transactions, cash volume, and related economic activities.

Exhibit 9: Share of Households by Income Group, India, CY 2005, CY 2018, and CY 2030

	2005	2018	2030
Annual Income and Income Grouping	219 million households	293 million households	386 million households
Above \$40,000 (Rs. 3.3 million) Upper middle income	High 0.5%	High 2.7%	High 7.5%
\$8,500-\$40,000 (Rs. 705.5 thousand - Rs. 3.3 million) Upper middle income	Upper Mid 7.5%	Upper Mid 20.8%	Upper Mid 43.5%
\$4,000-\$8,500 (Rs. 332 - Rs. 595.5 thousand) Upper middle income	Lower Mid 23.3%	Lower Mid 33.1%	Lower Mid 34.2%
Below \$4,000 (Rs. 332 thousand) Low income	Low 68.9%	Low 43.3%	Low 14.8%

Note: The exchange rate is 1 US Dollar = 83 INR Rupees

Source: Frost & Sullivan, Secondary Sources

Increase in Working-Age Population

India's working-age population is forecasted to increase from CY 2018 to CY 2030, driven by its demographic shift with a sizable youth population. With 12 million individuals added annually to the workforce, the share of the working-age population is expected to rise from 66.77% to 68.4% by CY 2030.

India benefits from a substantial pool of skilled technology graduates, with approximately 500,000 new engineers joining the workforce annually, totalling over 800,000 when including other technical skills.

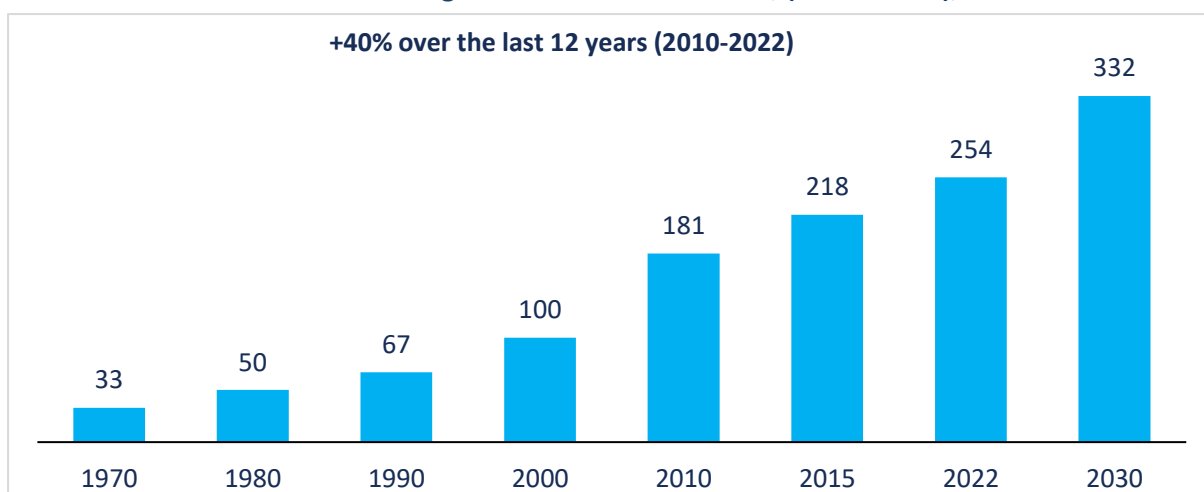
Exhibit 10: Population age structure analysis, India, CY 2005-2030 (%)

	2005	2018	2022	2030
0-14 Years of Age (Children)	32.73%	27.05%	25.31%	23.01%
15-64 Years of Age (Working Age)	62.53%	66.77%	67.79%	68.40%
65 and Above (Elderly)	4.74%	6.18%	6.90%	8.59%
Country Population	1.15 Billion	1.37 Billion	1.42 Billion	1.51 Billion

Source: Frost & Sullivan, Secondary Sources

1.7. Increasing Enrolment Ratio in Higher Education Globally

Exhibit 11: Global higher education enrolments, (1970 – 2030), Millions



Source: OECD / UIS / Eurostat (2023), Frost & Sullivan Analysis

8X

Student enrollments globally in higher education has become 8X over the period of 1970 - 2022

2.5X

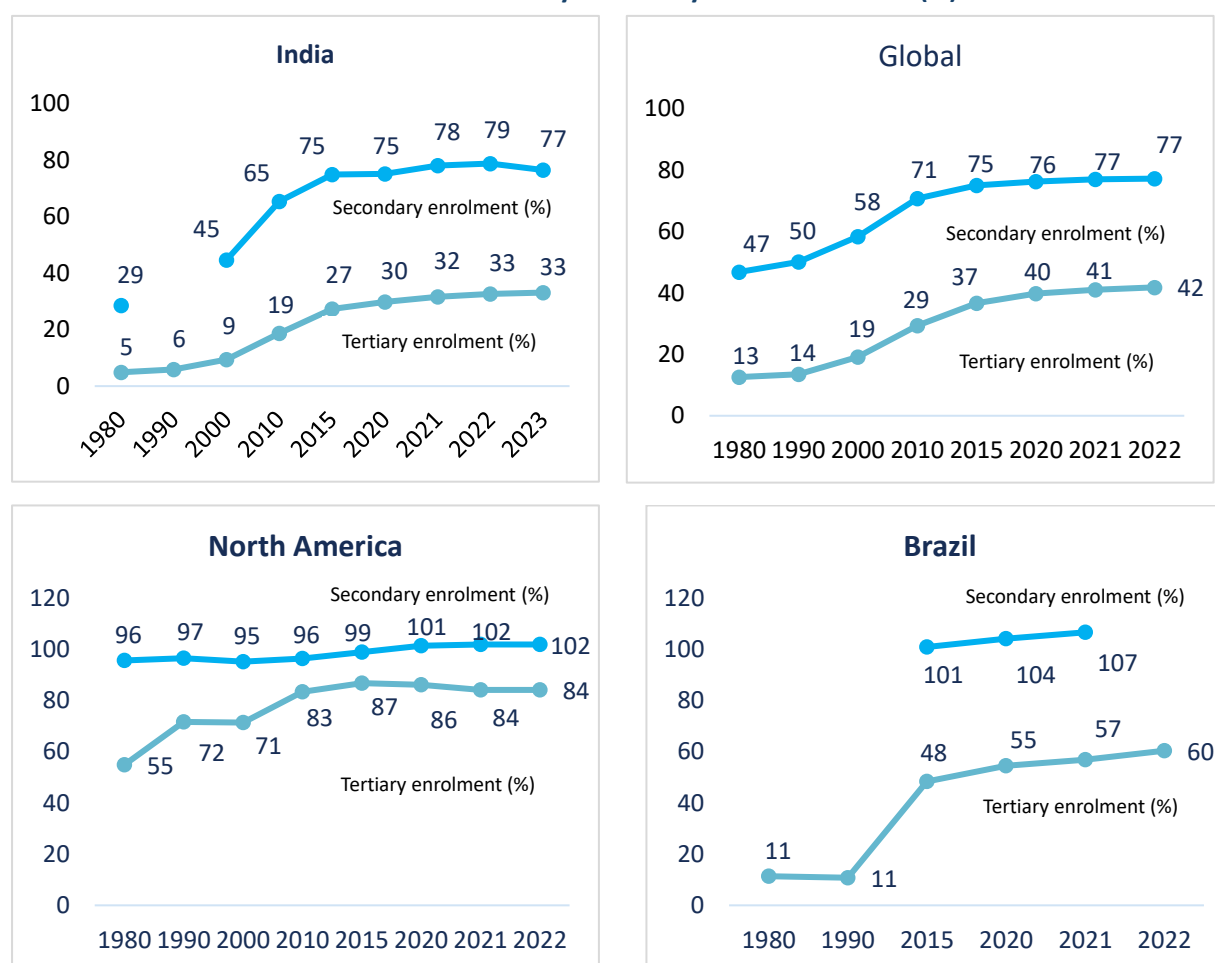
Student enrollments globally in higher education has become 2.5X over the period of 2000 - 2022

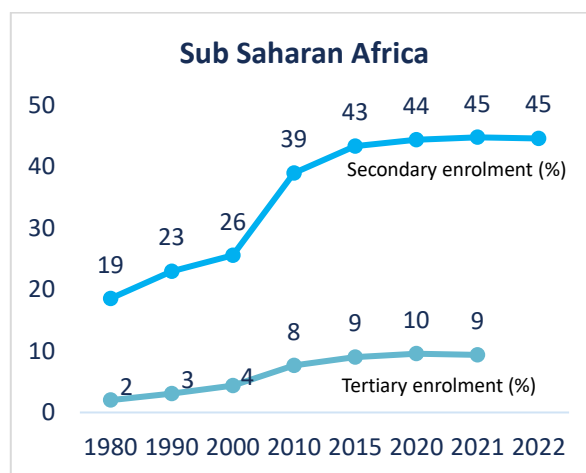
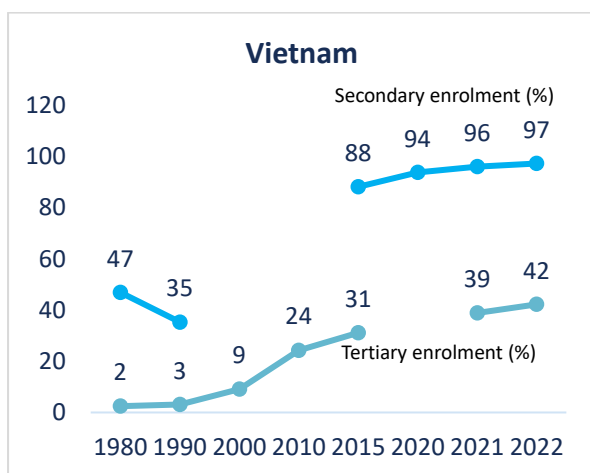
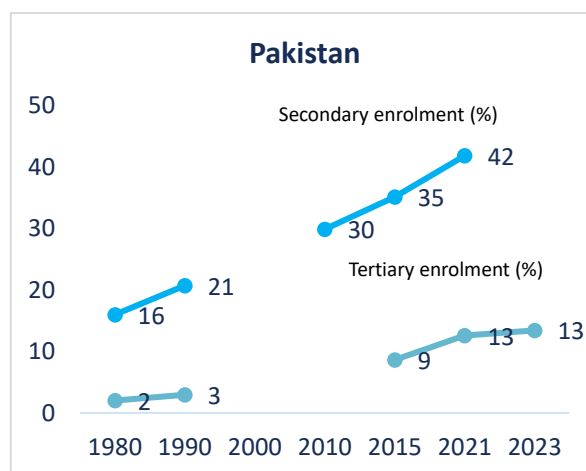
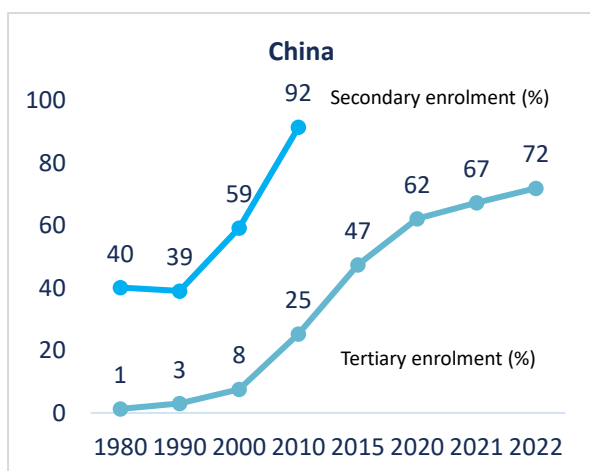
Global higher education enrolment reflects both the aspirations of individuals seeking advanced learning opportunities and the broader socio-economic and geopolitical trends shaping educational landscapes. There has been a remarkable surge in higher education enrolment over recent decades, from about 33 million in 1970 to 254 million in 2022. This has been driven by various factors including increasing demand for skilled labor in the knowledge economy, advancements in technology facilitating access to education, and efforts to achieve higher levels of educational attainment globally. This expansion has been

particularly pronounced in emerging economies where rising middle-class populations are seeking to improve their prospects through education.

Looking ahead, the future of global higher education enrollment will likely be shaped by ongoing technological advancements, demographic shifts, evolving labor market demands, and policy initiatives aimed at promoting inclusivity and diversity. Flexibility, adaptability, and innovation will be key themes as educational institutions strive to meet the diverse needs and aspirations of students in an increasingly interconnected and rapidly changing world.

Exhibit 12: Secondary & Tertiary Enrollment rates (%)





Note: This is given as the gross rate, which includes children of any age entering the level of education; this can result in percentages greater than 100 because children may enter education late or repeat a year.

Source: World Bank; UNESCO via World Bank; OurWorldInData.org/global-education | CC BY

Gross enrolment ratio has been defined as number of children of any age group who are enrolled in secondary / tertiary education expressed as a percentage of the total population of the official secondary / tertiary school age.

Definitions: UNESCO defines secondary education as one which exists between primary education and higher education. Students enter secondary education as children and depart as young adult at the age of 17 or 18, ready to enter university. In most Asia-Pacific countries, secondary education lasts six or seven years. It is usually divided into lower secondary and upper secondary.

Other definitions have secondary education as the second stage in formal education, beginning about age 11 to 13 and ending usually at age 15 to 18.

UNESCO defines tertiary education as formal education that builds on secondary education and provides learning activities in specialized fields of education. It aims at learning at a high level of complexity and specialization. Tertiary education includes academic education and advanced vocational or professional education.

Measured by Gross Enrolment Ratio (GER), global participation in tertiary education doubled from 19% to 40% between 2000 and 2020. The largest expansion took place in South and West Asia and East Asia and the Pacific where the numbers of students grew by more than 200% and 280% respectively. As of 2020, Central and Eastern Europe have surpassed North America and Western Europe, the region with historically the highest participation ratio in tertiary education. With gross enrolment ratio of 87% and

81% respectively, these two regions remain the global leaders despite considerable progress in other regions.

Countries like India, Brazil, China, Pakistan and Vietnam witnessed a manifold increase in gross enrolment ratio in tertiary education. While India witnessed an increase in the same from 5% in 1980 to 33% in 2023, the same for Brazil was 11% in 1980 and 60% in 2022. China witnessed an outstanding transformation as well with its enrolment ratio increasing from as low as 1% in 1980 to 72% in 2022. Vietnam is another success story with an enrolment ratio of 42% in 2022, up from 2% in 1980.

Although the Gross Enrolment Ratio (GER) for higher education in India is on an upward trajectory, it still falls behind that of many other nations. While surpassing rates observed in countries like Pakistan (13) and Bangladesh (23), it remains lower in comparison to several Asian counterparts such as China (72), Vietnam (42) among others. Moreover, on a global scale, the United States boasts a high education GER of 79, the United Kingdom stands at 83, Germany at 76, and Canada at 78, indicating a considerable disparity in enrolment rates between India and these nations. There's significant room for growth in higher education GER in India as compared to other developed nations. The limited accessibility of Higher Education institutions, inadequate diversity of courses with high employability and promising career prospects, insufficient resources for research, and the lack of international recognition for Indian courses are some of the factors contributing to the lower Gross Enrolment Ratio (GER) in India. Over time, there has been a lag in both the quality and accessibility of higher education in keeping pace with the increasing demand. The Draft National Education Policy (NEP), recently introduced, acknowledges these challenges that affect the GER.

China witnessed a sharp rise in tertiary education enrolments, which has now reached 72 percent in 2022, up from 1.3 percent in 1980. In response to the growing need for educated labor, the Chinese government has made significant investments in higher education, focusing on both infrastructure and resources. Over the years, annual college enrolment has surged, skyrocketing from 1 million in 1997 to over 9.6 million by 2020. There was a corresponding increase in the number of higher education institutions, rising from 1,020 in 1997 to 2,738 by 2020. This expansion of higher education brought about several beneficial enhancing the accessibility of educational opportunities, particularly for individuals hailing from rural and economically disadvantaged backgrounds. The government has broadened initiatives such as student loans, scholarships, tuition fee waivers, and grants. These measures have facilitated broader access to higher education, contributing to the mitigation of educational disparities.

Similarly, Brazil witnessed an increase in gross enrolment ratio from 11% in 1980 and 60% in 2022. The growth of higher education in Brazil is driven by diversification and institutional differentiation, and has fundamentally reshaped its framework, introducing new institution models and learning methodologies. Consequently, there has been an enhancement in academic quality standards, alongside a progressively varied socioeconomic makeup among both students and faculty members. Brazil's swift surge in higher education participation is primarily facilitated by the proliferation of privately provided higher education. The private sector, which is composed mainly of small and medium colleges, accounts for 87% of institutions and concentrates on undergraduate courses.

Comprising 48 countries and boasting a population exceeding 1 billion, Sub-Saharan Africa (SSA) stands as one of the world's most extensive regions. The region's gross tertiary education enrolment ratio in 2021 was 9.4%, significantly trailing the global average of 41% in the same year. Notably, this ratio exhibits considerable variation across different parts of the region. The region not only suffers from a shortage of resources or insufficient funding but also inadequately utilizes its available resources. The governments

have not invested in higher education for decades and families struggle to afford the cost of uniforms, books, transportation, and other school-related expenses.

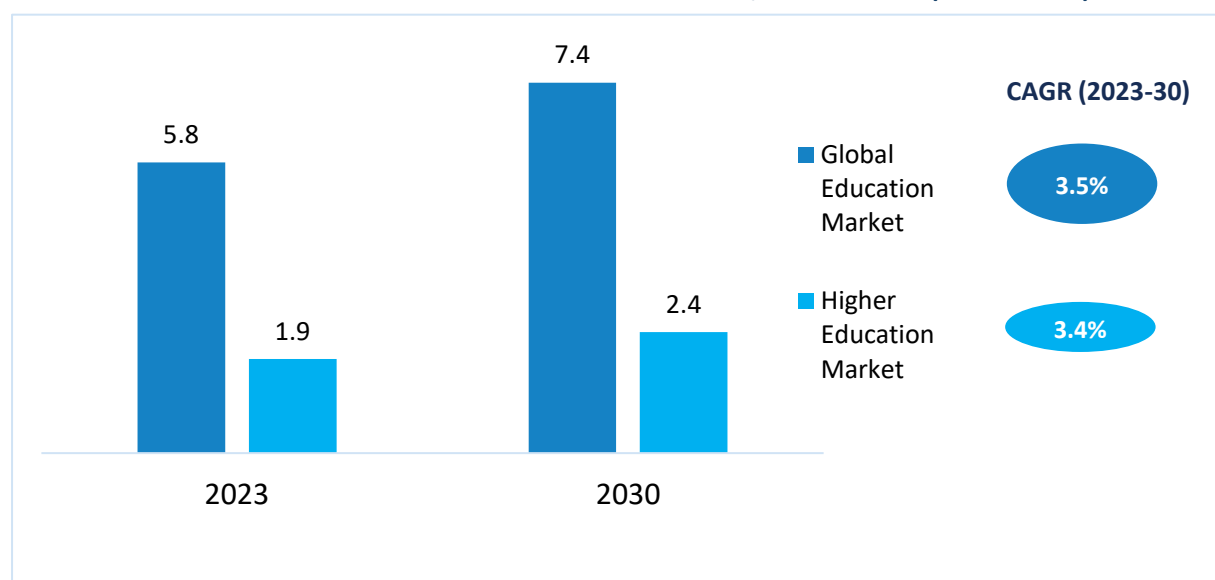
2. Global Education Economy Overview

The overseas education market has experienced significant growth in recent years, driven by several factors. Increasing globalization, coupled with the pursuit of quality education and international exposure, has led to a surge in demand for studying abroad. Students and parents are increasingly recognizing the value of acquiring a global perspective, accessing world-class educational institutions, and experiencing diverse cultures. Furthermore, advancements in technology and communication have made it easier for students to research, apply, and enroll in universities and colleges overseas. Additionally, changing demographics, such as a rising middle-class population in emerging economies, have fueled demand for overseas education as families prioritize investing in their children's future. Moreover, the availability of scholarships, financial aid, and study-abroad programs has made international education more accessible to a broader range of students. Overall, the overseas education market continues to thrive as individuals seek to enhance their academic and career prospects in an increasingly competitive global landscape.

The global education market, valued at approximately USD 5.8 trillion in 2023, is projected to expand to around \$7.4 trillion by 2030. This includes the segments of Pre-K, K-12 and Higher education.

Higher education (post K-12 education at universities, colleges etc.) stands as one of the largest segment within this education market, presenting substantial growth prospects. The segment is expected to reach a spending level of USD 2.4 trillion by 2030, increasing from USD 1.9 trillion in 2023.

Exhibit 13: Global Education sector Market Size, FY2023-2030 (USD Trillion)



Source: Frost & Sullivan analysis

Investment in Education: Over \$6.2 trillion is spent every year on education and training worldwide by governments, businesses, families, and individuals. Common international benchmarks on education spending range from almost 4% - 6% of GDP or 15% - 20% of public budgets).

Effects on People and Society: Education helps people find work, make more money, stay healthy, and live in less poverty. Every additional year of education increases an individual's hourly wage by 9%. It is

responsible for long-term economic growth, innovation, institutional strengthening, and social cohesiveness in societies.

One of the most effective strategies for combating poverty and promoting health, gender equality, peace, and stability is education, which also serves as a potent development engine. It is the most crucial element in ensuring equity and inclusion and yields significant, steady income returns.

2.1. Spend on Foreign / Overseas Education Globally

A substantial portion of the global education economy is made up of the money spent on studying abroad.

The cost of studying abroad has been steadily increasing over the years, driven by factors such as inflation, currency fluctuations, rising tuition fees at foreign institutions, and increasing living expenses in popular study destinations.

The growth in international tertiary education enrolment has been phenomenal. From close to 2 million students travelling each year to study overseas to about 6.7 million in 2023, the growth has been unprecedented.

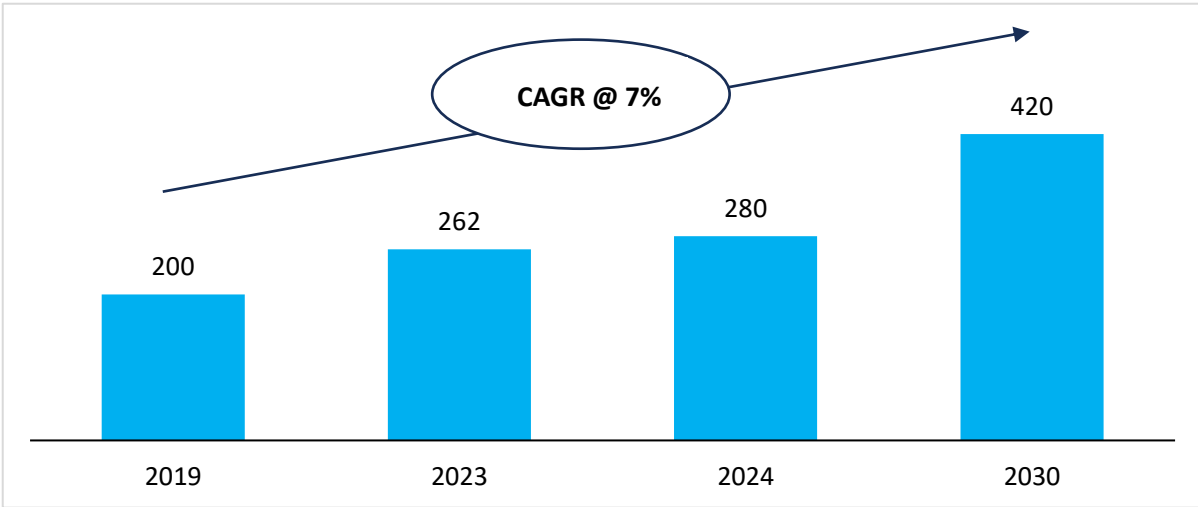
There has been a corresponding increase in direct annual expenditure as well by these students going abroad for higher studies. While the total spend by students abroad was estimated to USD 200 BN by 2019, the same is estimated to grow to USD 262 BN by 2023 and USD 420 BN by 2030 growing at a CAGR of 7% (2023-2030).

While international education has consistently faced adversity, with COVID-19 standing out as the most significant disruption to date, it has exhibited remarkable resilience, buoyed by the unwavering demand from countless undergraduate, and postgraduate students worldwide who aspire to pursue studies abroad and beyond their native shores.

Student Enrollment: It is anticipated that by 2030, there will be over 8 million enrolled internationally mobile students, up from 6 million in 2019. The hike in total annual spending will be somewhat attributed to this increase in enrollments.

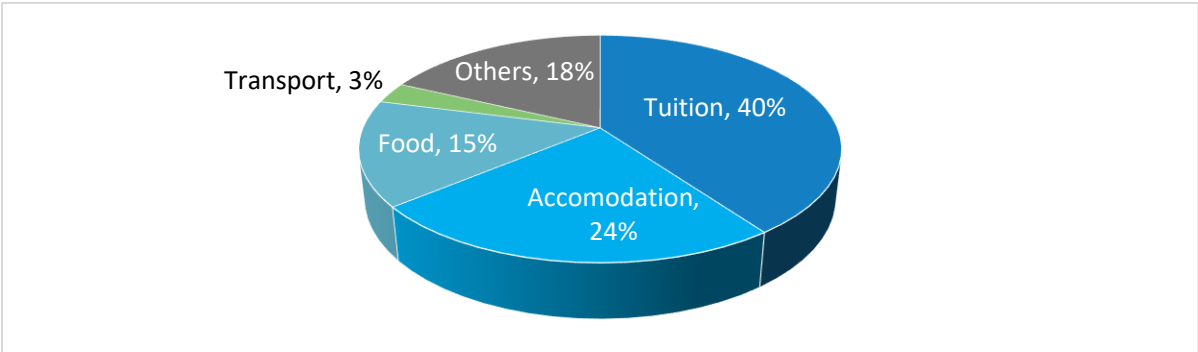
Regional Demand: It is anticipated that Asia and Africa will have the highest demand for international education. Approximately 80 per cent of the world's population is expected to reside on both continents between 2060 and 2070.

Exhibit 14: Spend on Foreign/Overseas Education Globally by Internationally mobile students (USD Billions)



Source: Frost & Sullivan Analysis

Exhibit 15: Total overseas education expenditure Split (%)

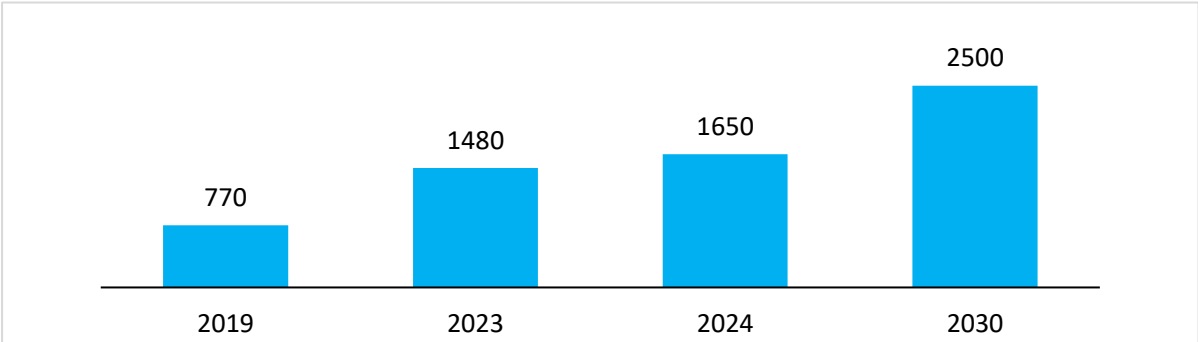


NOTE : Others include: Miscellaneous other incidental expenses like computer desktop, laptop, smart devices, insurance, and other living expenses

Source: Frost & Sullivan

2.2. India: Total students pursuing higher education abroad & spend

Exhibit 16: India - Total Students Pursuing Higher Education Abroad (in 1000's)



SOURCE: Frost & Sullivan

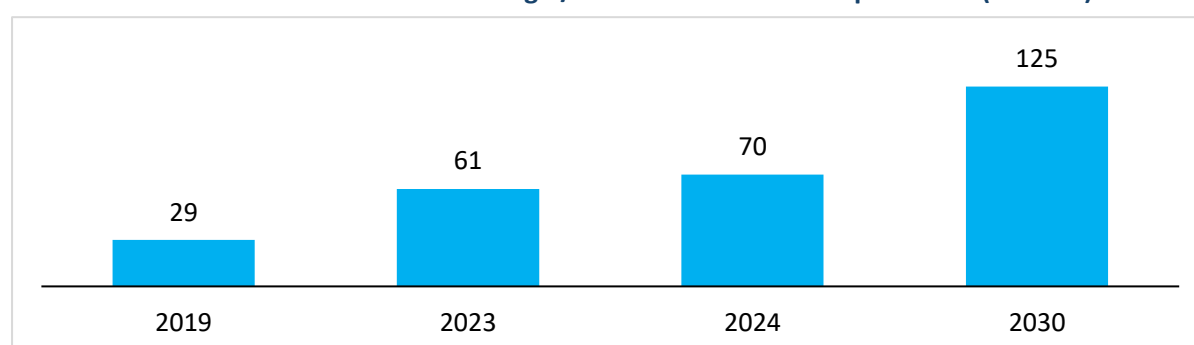
Total Indian students pursuing higher education abroad totalled around 7,70,000 in 2019, increasing to about an estimated 14,80,000 by 2023. The total number of Indian students studying abroad is expected

to reach 25,00,000 by 2030 growing at a CAGR of 7.8% (2023-2030). US, UK, Australia and Canada are the top destinations Indian students flock to for higher studies.

The growing number of students seeking to study abroad significantly benefits companies involved in recruiting candidates for foreign universities. As demand for international education rises, these companies experience increased business opportunities, expanding their reach and services to meet the needs of a diverse student population. They benefit from higher enrollment numbers, partnerships with global institutions, and a broader client base. Additionally, these companies can offer specialized services such as visa assistance, academic counseling, and career guidance, positioning themselves as essential intermediaries in the education sector and driving their overall growth.

Crizac is one such B2B education platform for agents and global institutions of higher education offering international student recruitment solutions to global institutions of higher education in United Kingdom, Canada, Republic of Ireland, Australia and New Zealand (ANZ). The company is well placed to capture this market given its wide network of partner universities. Student recruitment solutions from India into the United Kingdom is Crizac's strength as a result of its strong relationships built over time with global institutions of higher education in the United Kingdom.

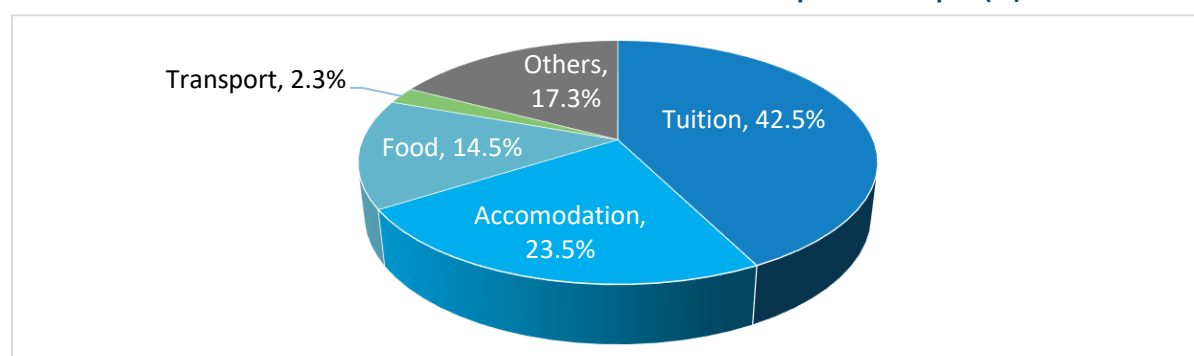
Exhibit 17: India - Total Foreign / Overseas Education Expenditure (USD BN)



SOURCE: Frost & Sullivan

While the total number of students who flock to foreign shores increase year on year, there's a corresponding increase expected in total direct student expenditure as well, which has increased to an estimated USD 61 billion in 2023 from USD 29 billion in 2019. The expenditure is further expected to increase to USD 125 billion by 2030, becoming 2X the spend in 2023.

Exhibit 18: India: Total overseas education expenditure split (%)



SOURCE: Frost & Sullivan

Expenditure for overseas education is a significant investment and encompasses various costs including tuition fees, living expenses, travel expenses, accommodation, insurance, and other miscellaneous expenses.

The cost of overseas education vary significantly depending on the destination country and the chosen institution. For example, studying in Western countries like the United States, United Kingdom, Canada, or Australia generally tends to be more expensive compared to studying in other regions.

Tuition fee is the most significant component (with a total of about 40 – 45% of expenditure allocated to it) of expenditure for students going abroad for studies. The tuition fee for a postgraduate program could vary from as low as USD 10k per year to USD 70k per year in some of the top destination countries like the United States and United Kingdom depending on the course selected. The tuition fee is on the higher side for these top destination countries of USA, UK and Australia, whereas for some of the other countries like Spain, France and Germany, its significantly lower.

Exhibit 19: Total Foreign / Overseas Higher Education Expenditure, 2023: Split by Top Source countries (%)

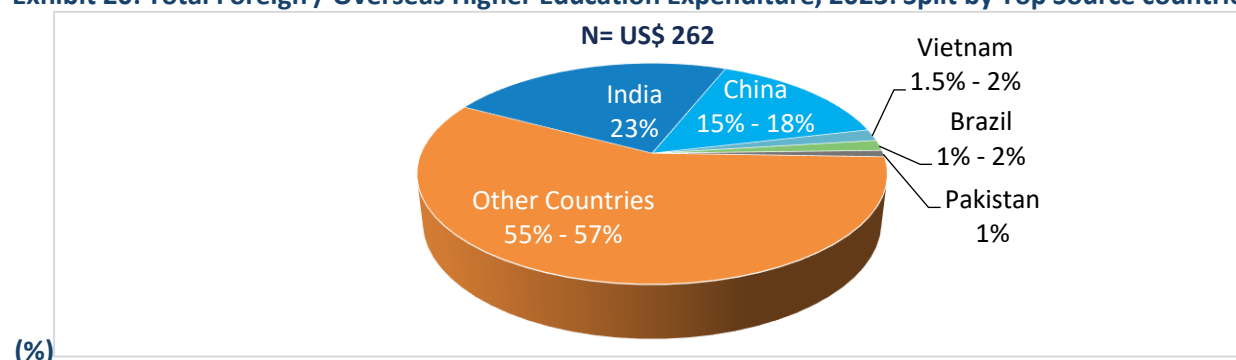
Tuition Fees for International Students (USD)				
Destination	Undergraduate (Per year) (Range - Minimum to Maximum)		Post Graduate (Per Year) (Range - Minimum to Maximum)	
UK	12679	32956	8670	54183
Aus	13110	29497	14421	32774
USA	13000	50000	18000	65000
Canada	26694	33367	15654	
NZ	15493	27887	12394	22929
France	3002		4086	
Ireland	10847	59656	5424	53148

Note: Medicine / veterinary / dentistry courses cost significantly higher in some of the regions

Tuition fees are significantly lower for domestic students and higher for international students

Source: Frost & Sullivan analysis, Secondary sources

Exhibit 20: Total Foreign / Overseas Higher Education Expenditure, 2023: Split by Top Source countries (%)



Source: Frost & Sullivan

India and China are the top two sources of students going abroad for education and accounting for close to 40% of the total international higher education expenditure. While these countries have the maximum students outbound for studies abroad every year, they also have the maximum students (more than a million) studying abroad across various undergraduate and post graduate courses. Hence, these countries account for the maximum expenditure for foreign students every year. India and China put together, are estimated to spend close to USD 100 BN on foreign education in 2023.

Exhibit 21: Total Foreign / Overseas Higher Education Students, 2023: Split by countries

Students pursuing higher education abroad, 2023

Country	International Students (2023)
India	14,80,000+
China	10,20,000+
Vietnam	1,37,000+
Brazil	90,000+
Nigeria	70,000+
Pakistan	65,000+
Ghana	20,000+
Kenya	17000+

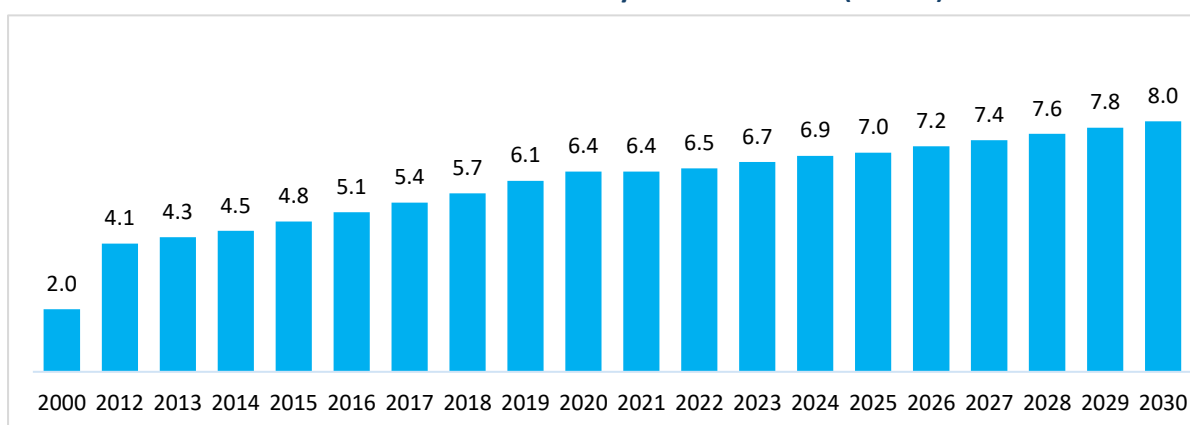
Source: Frost & Sullivan, UNESCO

In CY2023, close to 1.48 million students were pursuing higher education globally from India, while the same for China stood at over a million.

International Student Mobility

While the internationally mobile students have increased by 20% over the last five years (2018 – 2023), yet only 2.56% of the student population in 2022 (n=254 m) pursued higher education abroad.

Exhibit 22: Internationally mobile students (million)



Source : Frost & Sullivan

2X

Total number of international students pursuing higher education abroad is expected to increase to 2X by 2030 (over 2012)

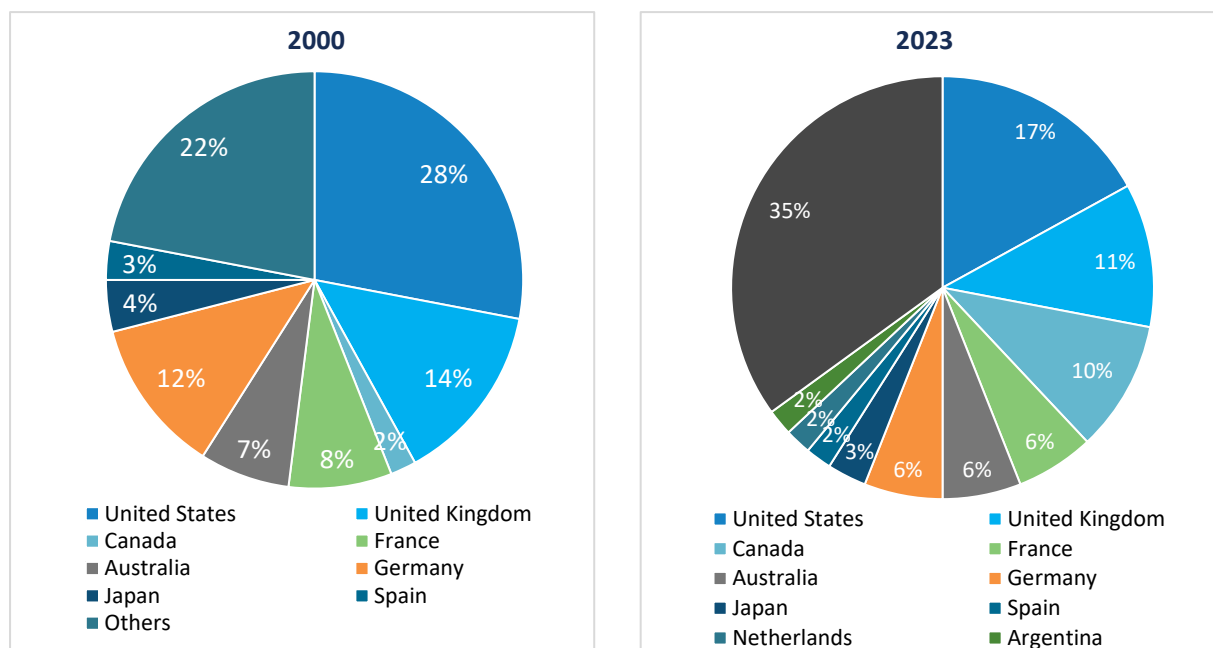
The total number of international students pursuing tertiary education abroad is expected to reach 8 Mn by 2030, which is a 2X over the 2012 value of 4.1 Mn. In 2019, there were more than 6 million tertiary international mobile students around the world, which is almost 3% of the total number of tertiary students globally.

50% of the globally international mobile students were hosted in the countries of United States, United Kingdom, Canada, France, Australia / Germany in 2023.

Similarly, almost 30% of the global international students came from the countries of China, India, Vietnam, Germany and France.

While the COVID 19 pandemic was the most significant disruption in the study abroad market, the market is also significantly influenced by the prevailing geopolitical intricacies and evolving international relationships. Additionally, factors such as finance, travel logistics, and regulatory frameworks also wield considerable influence in this regard.

Exhibit 23: Top Host Countries for International Students (2000 - 2023)



Source: IIE / Project Atlas

There has been a remarkable shift in international education over the past two decades. While the total number of international students has increased at a CAGR of 5.4% from 2 million in 2000, to an estimated fourfold 6.7 million in 2023, the share of top 5 host destinations for international students has come down from 69% in 2000 to 50% in 2023.

This growth has not only expanded the overall volume of international students worldwide but has also diversified the host countries.

While USA, UK, France and Australia continue to be in the top 5 host destinations for international students, Canada has replaced Germany in the top 5 with an estimated 10% of market share in 2023, up from only 2% in 2000.

The USA remains a top destination for international students due to its world-class universities, diverse academic programs, and cutting-edge research opportunities. Students benefit from innovative teaching methods, hands-on industry collaborations, and access to advanced technology. Post-study work options like Optional Practical Training (OPT) and the H-1B visa enhance employability, while the country's multicultural environment and strong support services help students adapt. OPT is temporary employment that is directly related to an F-1 student's major area of study. Eligible students can apply to receive up to 12 months of OPT employment authorization before completing their academic studies (pre-completion) or after completing their academic studies (post-completion).

US degrees are globally recognized, and universities offer flexibility in academics, vibrant campus life, and professional development. Financial aid, entrepreneurial resources, and access to global networks further enhance the appeal of studying in the USA. While, the United States has a vast academic landscape with more than 3000 universities, these institutions also stand for academic excellence as the country has close to 200 universities in the Top 1500 of '2025 QS World University Rankings'.

While the overall international education market is estimated to be USD 262 Bn in 2023, bulk of the spend will happen in these top destination countries of USA, UK, Canada and Australia. Almost USD 140+ Bn is estimated to be spent in these top destinations. International students are estimated to have spent around USD 53 Bn for higher education in USA in the year 2023, while the same for UK is USD 36 BN. For Canada and Australia the estimated spend is USD 33 Bn and USD 18 Bn respectively.

Exhibit 24 : Emerging Destination countries, Worldwide, 2020-23

Emerging Destination Countries Worldwide, 2020-2023		
Country	International Students (2023)	Growth in International Students (2020-2023)
Philippines	24520	226%
Chile	19998	83%
Argentina	117820	31%

Source : IIE / Project Atlas

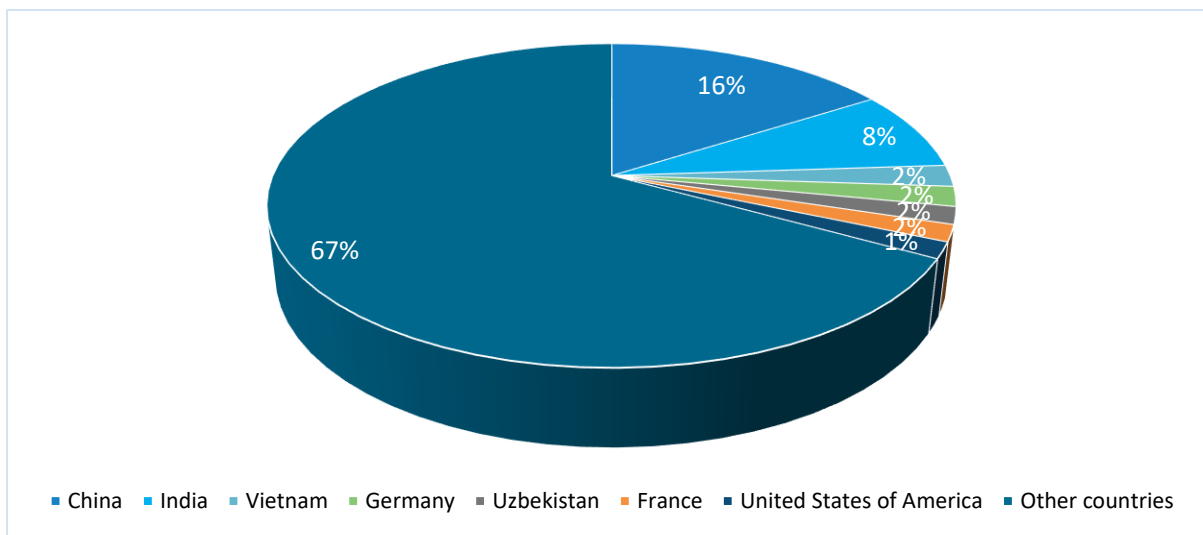
Exhibit 25 : High Growth Destinations Worldwide, 2020-2023

High Growth Destinations Worldwide, 2020-2023		
Country	International Students (2023)	Growth in International Students (2020-2023)
United Kingdom	718085	30%
Canada	660230	31%
Netherlands	122287	30%
Germany	349438	16%
France	392630	10%
Spain	135478	8%

Source: IIE / Project Atlas

While the top 5 destinations accounted for 50% of the total international students in 2023, new destinations are emerging as destination of choice for students pursuing higher education abroad. Philippines, as a host destination has witnessed a growth of 226% in the 2020-2023 period. Canada continues to foster its position as one of the top destination for higher education, with a growth of 31% in the 2020-2023 period. Even United Kingdom has witnessed a 30% growth over this period further cementing its position as one of the top destination for higher education globally.

Exhibit 26: Global Overseas Education sector: Top Source countries, 2021



Source: UIS (October, 2023)

Exhibit 27: Total outbound internationally mobile tertiary students, 2021

Total outbound internationally mobile tertiary students, 2021	
Country	2021
China	1021303
India	508174
Vietnam	137022
Germany	126359
Uzbekistan	109945
France	105790
United States of America	102691
Other countries	4276204

Source: UIS (October, 2023)

Almost 30% of the global international students came from the countries of China, India, Vietnam, Germany and Uzbekistan in the year 2021.

2.3. Market drivers, restraints, and opportunities influencing the Global Foreign education industry

Market Drivers: Overseas / international education is driven by several key factors:

World class universities imparting quality education is the biggest driver for students pursuing education abroad. More students seek to attend esteemed international universities as the importance of high-quality education is acknowledged on a global scale. This is especially true in developing nations, where local universities might not be able to keep up with the rising demand for top-notch education.

Prosperity and career opportunities: As international education opens up global career opportunities and enhance employability prospects

A rise in disposable income has been attributed to economic progress in many emerging nations. The need for overseas education is growing as more families are willing to pay for their kids' education.

Specialized courses: Students flock to foreign universities for courses in special fields that may not be available in their home countries.

Government policies and financial aid: In order to provide students a global exposure, several governments have established policies that encourage them to study abroad. Scholarships and financial help are frequently included in these plans for students who want to study overseas. More students may choose to pursue their education abroad if scholarships and financial help are available. The accessibility and affordability of international education may increase with these financial aids.

Besides, many students also look at it as a pathway to immigration and look for it as a steppingstone for obtaining citizenship.

Market constraints: Several market constraints affect the expansion of the global foreign education sector.

For many students, **high tuition costs** can be a significant barrier to receiving an education abroad. This is especially true for students from underdeveloped nations or low-income families, for whom attending college abroad may be unaffordable.

The expansion of international education sector may also be hampered by **regulatory obstacles** in certain nations. These can include limitations on student visas, prerequisites for accreditation, and further legal obstacles.

Further, the development can also be impacted by **geopolitical events**, such as modifications to immigration laws and student mobility. Stricter immigration laws, for instance, might discourage foreign students from enrolling in universities in particular nations.

Language proficiency requirements and cultural differences can pose challenges for international students, affecting their academic performance, social integration, and overall experience abroad.

These limitations have the power to influence the choices made by legislators, educators, and students as well as to mold the direction of the international education sector.

Opportunities in International Education:

Expanding student reach and providing flexible learning alternatives: Has been made possible by the growth of online learning and educational technology. These technologies can be used by universities to provide degree programs to students worldwide. Academic institutions may want to look into joint degrees, student exchange programs, and other arrangements with overseas establishments. These partnerships have the potential to raise the schools' profile and draw in additional students.

Markets with increasing disposable income and expanding middle class: China and India, two nations with expanding middle classes and rising disposable incomes, may be the focus of student recruiting efforts. It is anticipated that demand for international education would increase as these nations continue to develop.

Vocational and specialized courses: Given how the labor market is evolving, there is a chance to provide students with programs that provide them the particular skills that companies are looking for. Universities can create courses in partnership with businesses to guarantee that the knowledge and abilities imparted are current and in-demand. By showcasing their dedication to sustainability and social impact, universities

can draw in students. Students who care about social justice, the environment, and other related topics may be drawn to programs in these areas.

The global foreign education sector is growing in a favorable climate because to these opportunities.

2.4. Growing enrollment/admission of international students in universities in UK, USA, Canada, Ireland, Australia, and New Zealand at Undergrad and Post Graduate level

In recent years, there has been a notable increase in the number of overseas students enrolled in institutions in the UK, USA, Canada, Ireland, Australia, and New Zealand.

United Kingdom- Reaching the 600,000-objective set by the UK government's International Education Strategy over ten years ahead of schedule, the UK welcomed 7,18,085 international students in the 2022–23 academic year.

USA: Over a million overseas students were enrolled in US universities during the 2022–2023 academic year, surpassing pre–pandemic levels. There were 467,027 foreign graduate students and 347,602 international undergraduate students enrolled in courses.

Canada: Close to 6,60,230 international students enrolled in higher education courses in Canada during the 2022–2023 academic year. The country attracted the maximum students from the countries of India, China, Philippines, France and Nigeria.

Ireland- Ireland admitted 23,196 international students in 2022–23. Ireland's welcoming policies and excellent educational systems make it a popular choice for overseas students.

Australia- In Australia, 24% of all higher education enrolments in 2022 were from overseas. Close to 3,61,247 international students enrolled in higher education courses in Australia during the 2022–2023 academic year. The country attracted the maximum students from the countries of China, India, Nepal, Vietnam and Hong Kong.

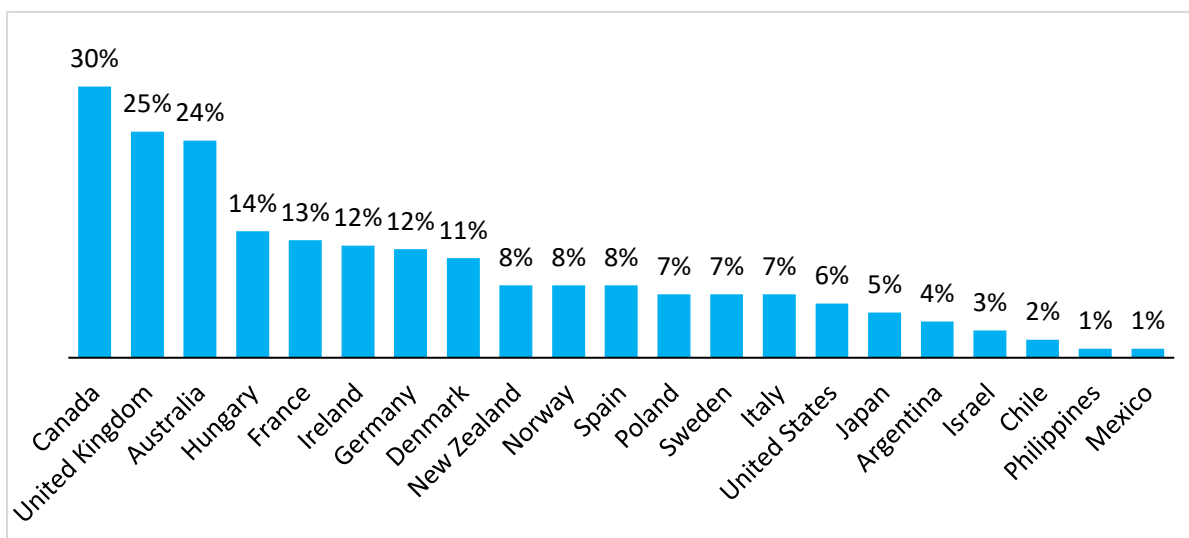
New Zealand: Close to 24,515 international students enrolled in higher education courses in New Zealand during the 2022–2023 academic year. The country attracted the maximum students from the countries of China, India, Vietnam, South Korea and Malaysia.

Exhibit 28: Split of Domestic & Inbound International Students, 2023

	UK	Canada	Australia	New Zealand
Total domestic higher education students	2144535	1511482	1143949	274140
Total inbound international Students	718085	660230	361247	24515
International Students as a % of Total	25%	30%	24%	8%

Source: IIE / Project Atlas

Exhibit 29: Countries with the largest amount of international students as a share of the total higher education population in 2022 (%)



Source: IIE / Project Atlas, 2023

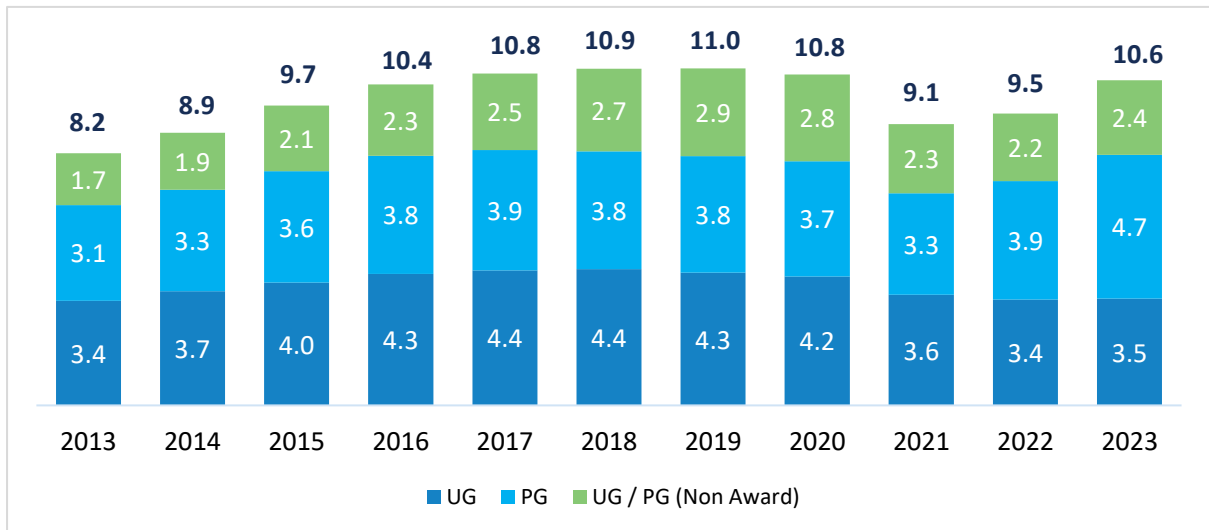
The top destinations for higher education globally carry a reputation for academic excellence, cultural diversity, safety, and opportunities for personal and professional growth making them an attractive destination for international students seeking a fulfilling and enriching educational experience.

Canada for example, has emerged as a highly sought-after destination for international education due to several key factors. Canadian institutions consistently rank among the top universities and colleges globally, offering world-class education and internationally recognized degrees. The country maintains high academic standards and invests significantly in research and innovation, attracting students seeking quality education. Further, Canada prides itself on its multiculturalism and tolerance, providing a welcoming and inclusive environment for international students. With a diverse population and vibrant communities representing various cultures and backgrounds, students feel valued and respected, fostering a sense of belonging.

Additionally, the Canadian government's endorsement of a study-work-migration pathway has emerged as a pivotal attraction, leading to a notable surge in international student enrollments. With study permits in Canada granting temporary work privileges, international students now outnumber all other types of temporary foreign workers entering the country. Consequently, the proportion of permanent residents who initially arrived as international students in Canada is steadily increasing.

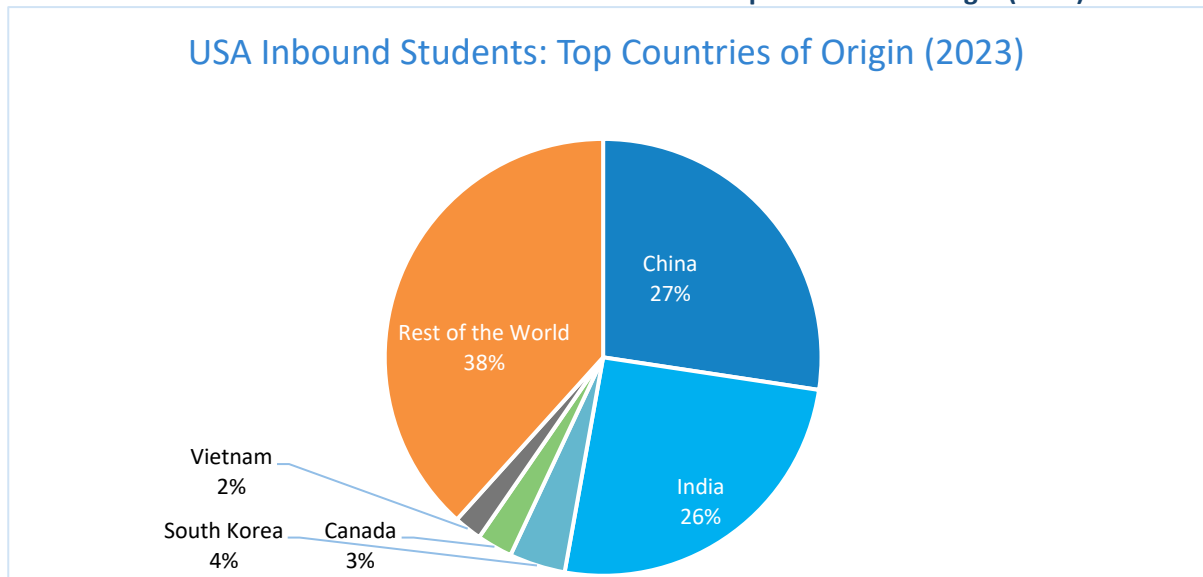
Similarly, Australia's reputation for academic excellence, multiculturalism, safety, and lifestyle opportunities make it an ideal destination for international students. Australia also offers various pathways for international students to transition to permanent residency, making it an attractive option for those seeking long-term opportunities in the country. Programs such as the Temporary Graduate Visa (subclass 485) and skilled migration pathways provide avenues for skilled graduates to settle and work in Australia.

Exhibit 30: USA - Inbound International Higher Education Level Students and Split by Undergraduate / Postgraduate students (Lakhs)



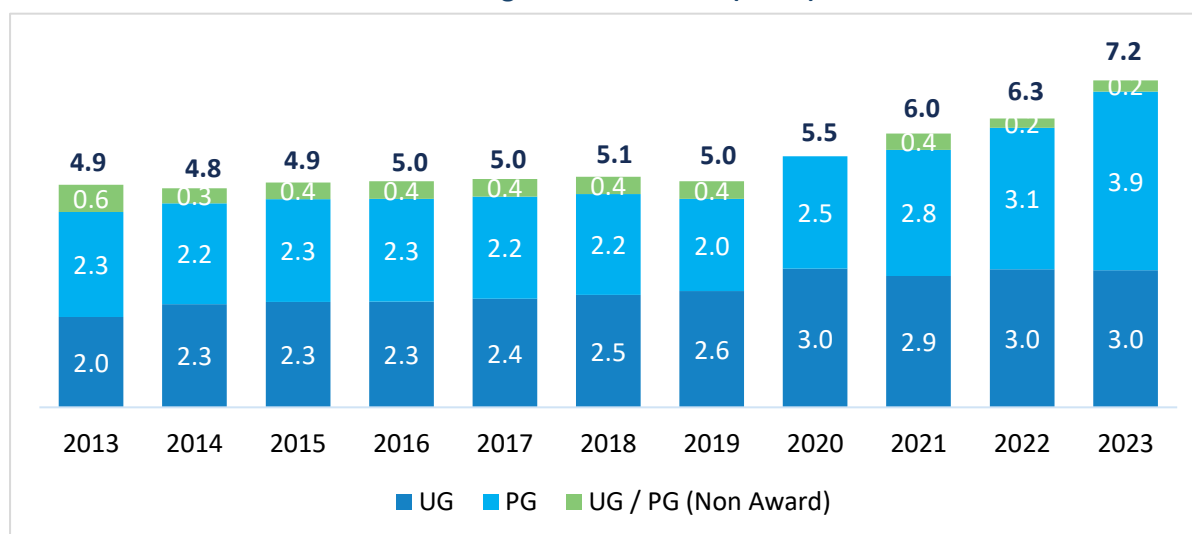
Source : IIE / Project Atlas

Exhibit 31: USA Inbound International Students: Top Countries of Origin (2023)



Source : IIE / Project Atlas

Exhibit 32: UK - Inbound International Higher Education Level Students and Split by Undergraduate / Postgraduate students (Lakhs)



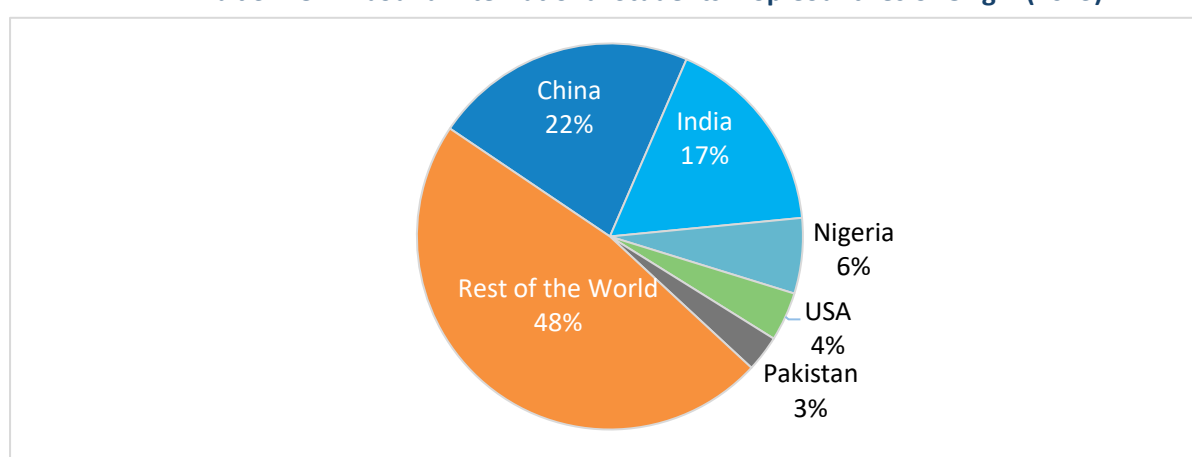
Source : IIE / Project Atlas

Exhibit 33: UK Inbound Students from India for Higher Education, 2019-2023

UK: Inbound Students from India for Higher Education, 2019-2023	
Year	Students
2019	19935
2020	27915
2021	53815
2022	82260
2023	121815

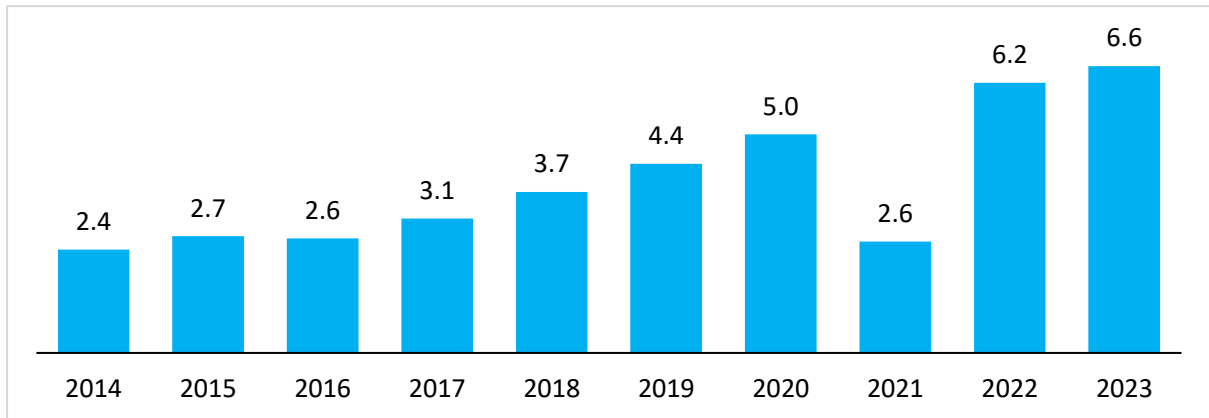
Source : IIE / Project Atlas

Exhibit 34: UK Inbound International Students: Top Countries of Origin (2023)



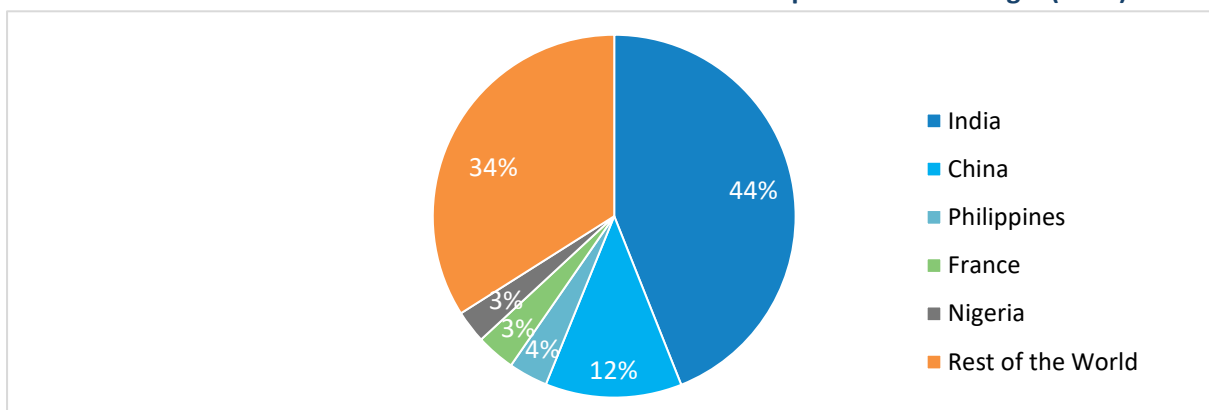
Source : IIE / Project Atlas

Exhibit 35: Canada - Inbound International Higher Education Level Students (Lakhs)



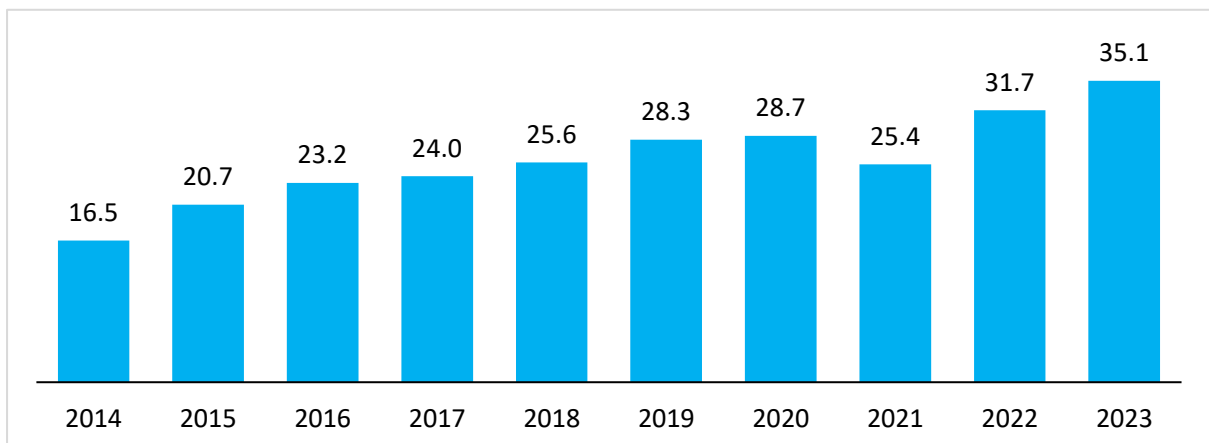
Source : IIE / Project Atlas

Exhibit 36: Canada Inbound International Students: Top Countries of Origin (2023)



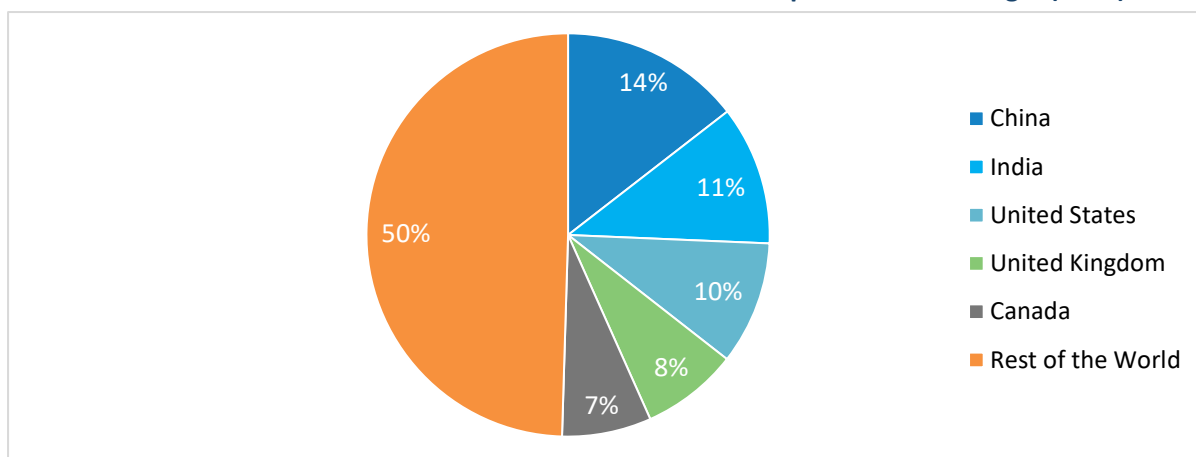
Source : IIE / Project Atlas

Exhibit 37: Ireland - Inbound International Higher Education Level Students (1000's)



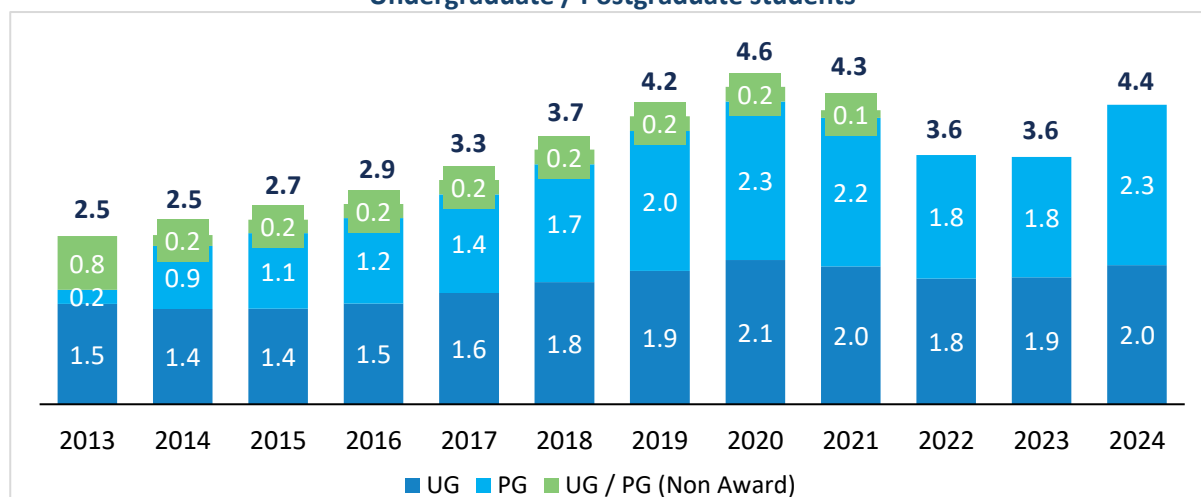
Source : IIE / Project Atlas

Exhibit 38: Ireland Inbound International Students: Top Countries of Origin (2023)



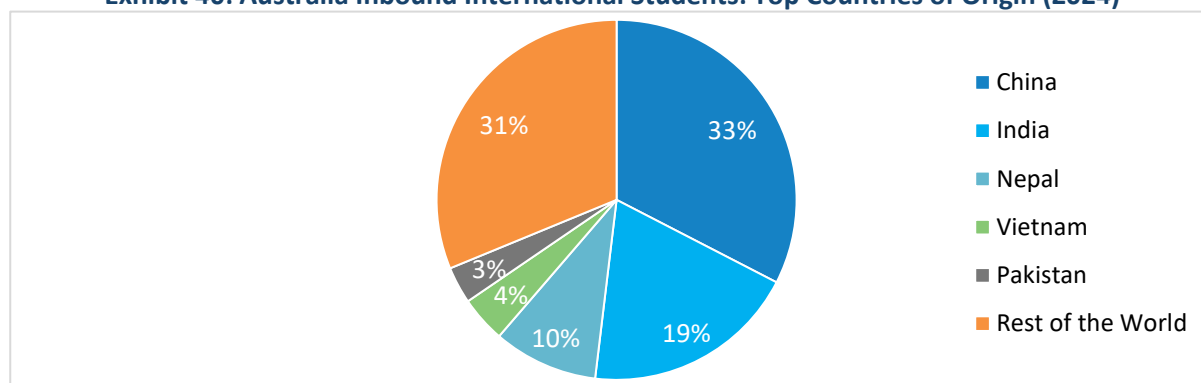
Source : IIE / Project Atlas

Exhibit 39: Australia - Inbound International Higher Education Level Students (Lakhs) and Split by Undergraduate / Postgraduate students



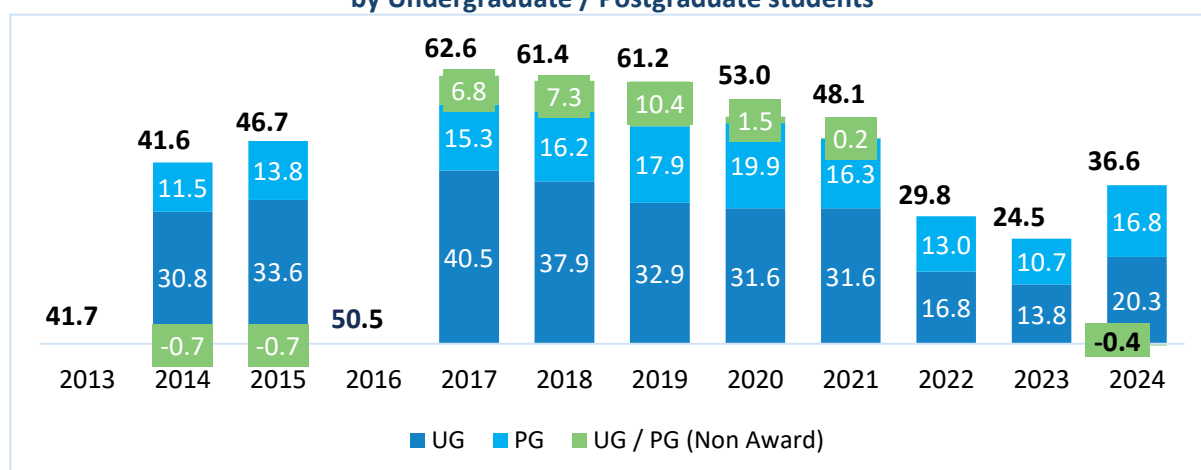
Source : IIE / Project Atlas

Exhibit 40: Australia Inbound International Students: Top Countries of Origin (2024)



Source : IIE / Project Atlas

Exhibit 41: New Zealand - Inbound International Higher Education Level Students (in 1000's) and Split by Undergraduate / Postgraduate students

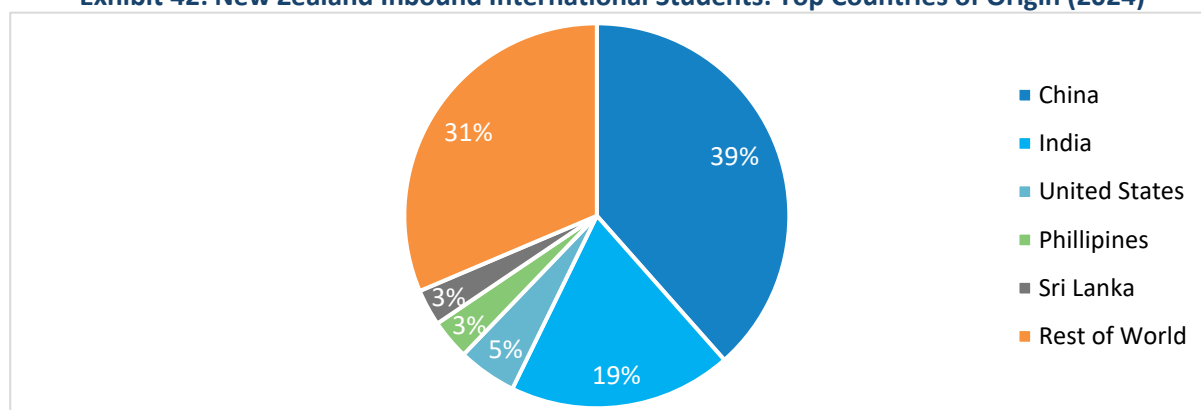


NA: Not Available

Source : IIE / Project Atlas

The prevailing circumstances regarding immigration protocols for international students in New Zealand have greatly impacted the country's image of being welcoming and hospitable to students from abroad. The prolonged visa processing times, and the admission delays have dissuaded numerous candidates from selecting New Zealand as their preferred study destination. Prospective students endure waits of up to 4-6 months for visa verdicts, and these delays have substantially dampened their enthusiasm for pursuing education in New Zealand. Even educational agencies started advocating for alternative countries with more advantageous immigration policies to prospective applicants.

Exhibit 42: New Zealand Inbound International Students: Top Countries of Origin (2024)

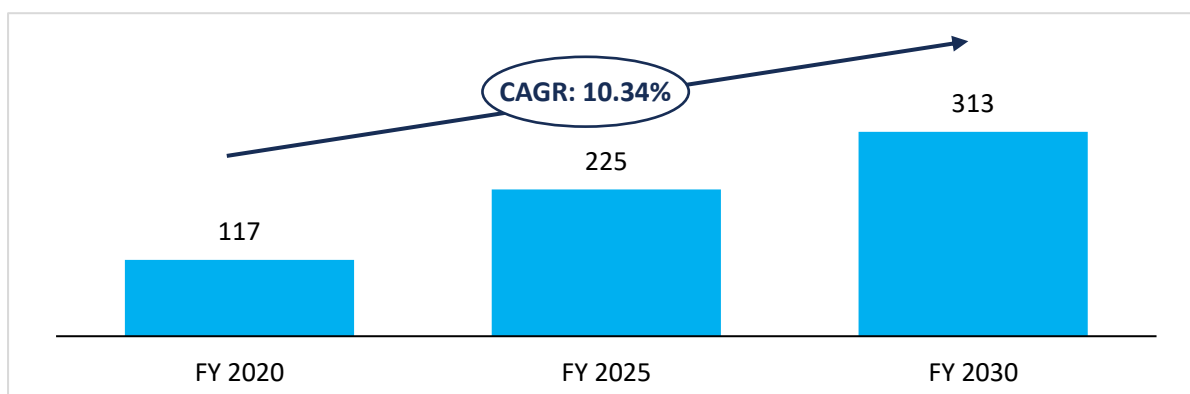


Source : IIE / Project Atlas

3. Indian Education System

India boasts one of the world's largest higher education systems, enrolling over 70 million students, with an additional capacity for 40 million created in the last two decades. In FY 2020, the Indian education sector was valued at around US\$117 billion. Projections anticipate its growth to \$225 billion by FY 2025 and US\$ 313 by FY2030. The National Education Policy 2020 spurred significant progress in India's education sector in 2023. Reforms included multiple entry and exit options for higher education, flexible credit systems, and diverse multidisciplinary courses. The introduction of the Common Universities Entrance Test standardized college admissions nationally. States also increased inclusivity by offering engineering and medical courses in regional languages.

Exhibit 43: Market size of education industry across India an estimate for FY 2025 & FY 2030 (Billion USD)



Source: Invest India, 2023; Frost & Sullivan Analysis

The graph illustrates the growth in the market size of India's education industry between 2020 and 2030. During this period, there has been a substantial increase, with the market expanding from 117 billion USD to 313 billion USD. This indicates substantial growth and expansion within the industry, hence India becoming the Educational Epicentre of the world.

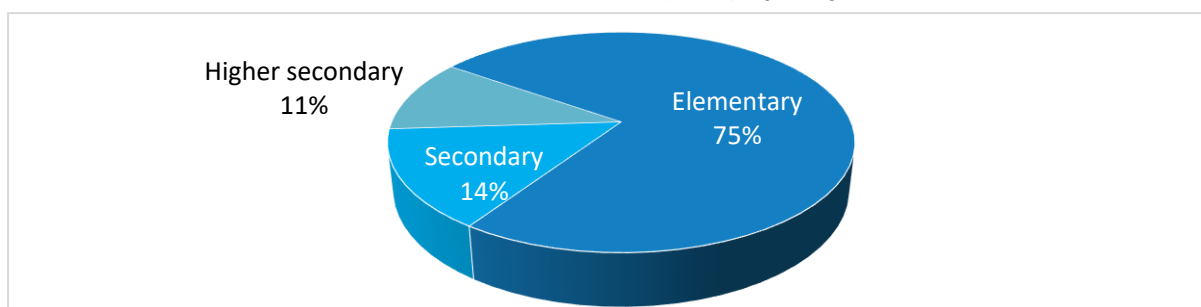
India currently possesses one of the largest education systems globally, comprising approximately 1.49 million schools, 9.5 million teachers, and nearly 265 million students. With its significant demographic advantage, particularly its substantial youth population, India stands out as the most populous nation globally. Approximately one-quarter of its population falls within the age range of 15 to 29, driving the demand for a skilled workforce across various industries.

The introduction of the National Education Policy (NEP) in 2020 represents a landmark initiative aimed at reforming the Indian education system. The NEP emphasizes curriculum modifications to enhance foundational skills and prioritizes holistic student development. Additionally, it aims to position India as a preferred destination for higher education by promoting internationalization through collaborations and exchange programs with foreign institutions.

This growth is expected to generate an additional 5 million jobs and benefit 429 million learners.

3.1. Indian Education Sector Overview: Total student across schools / universities

Exhibit 44: School students in India (2022), split by education level

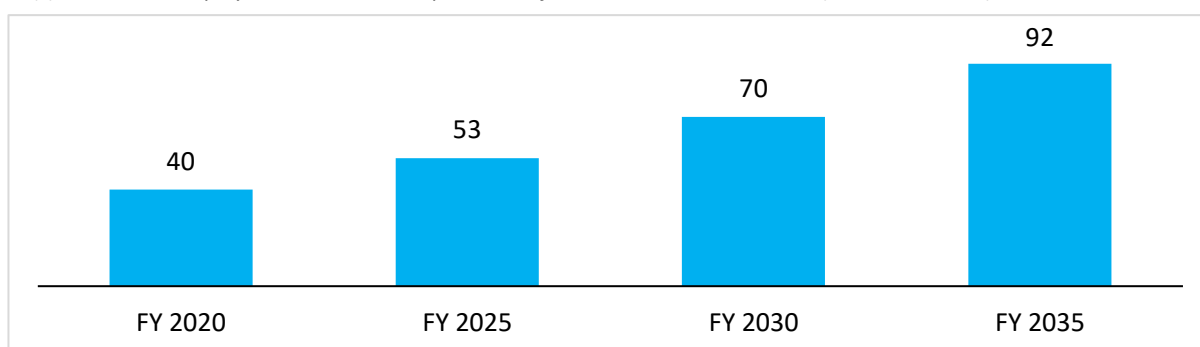


Source(s): Ministry of education; Unified District Information System for Education

Of the estimated 265 million school students in India, almost 75% are in elementary education, while 14% and 11% are in secondary and higher secondary education respectively.

Exhibit 45: Estimated number of students enrolled in higher education, India, FY 2020-2035 (Millions)

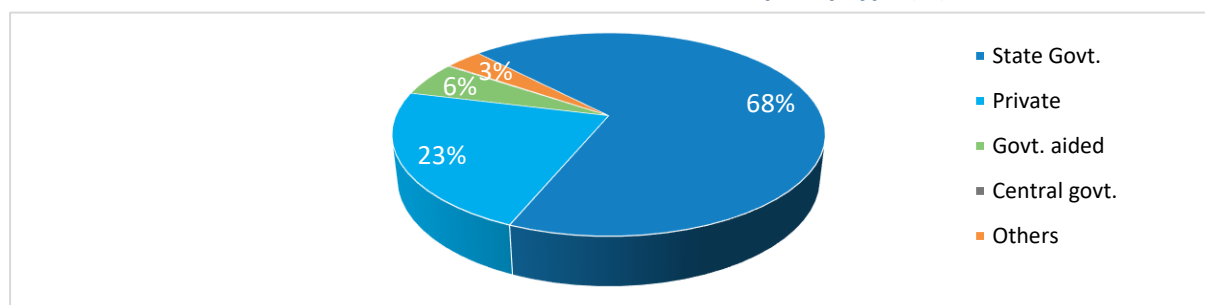
Source(s): India Brand Equity Foundation; US Department of Education; Various sources (UGC, Aishe, NEP)



In financial year 2020, the number of students enrolled in higher education was about 40 million across India. This was expected to increase in the financial year 2035 to 92 million.

3.2. Indian Education Sector Overview: Schools, Colleges & Universities

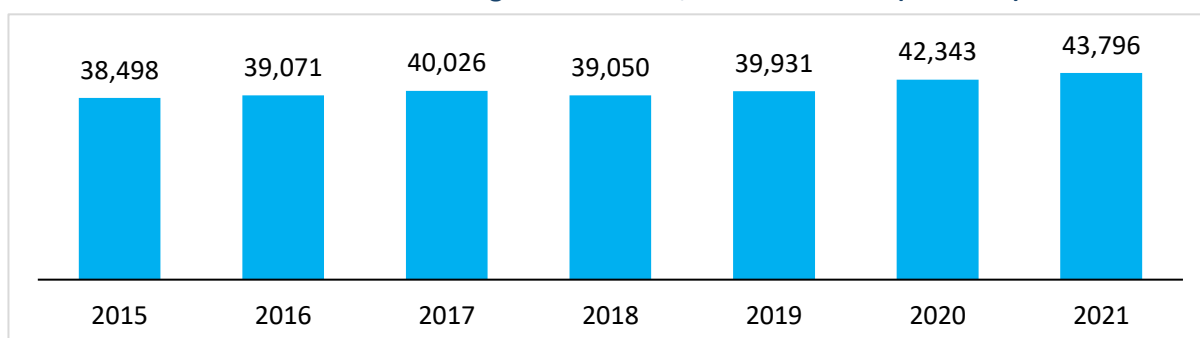
Exhibit 46: Schools in India in 2022, split by type (%)



Source(s): Ministry of education; Unified District Information System for Education

As of 2022, India had around 1.5 million schools. State government run schools accounted for the majority of schools @ 68%, while private run, government aided, central government had a share of 23%, 6% and 0.1% respectively. The Indian schooling system is one of the largest in the world.

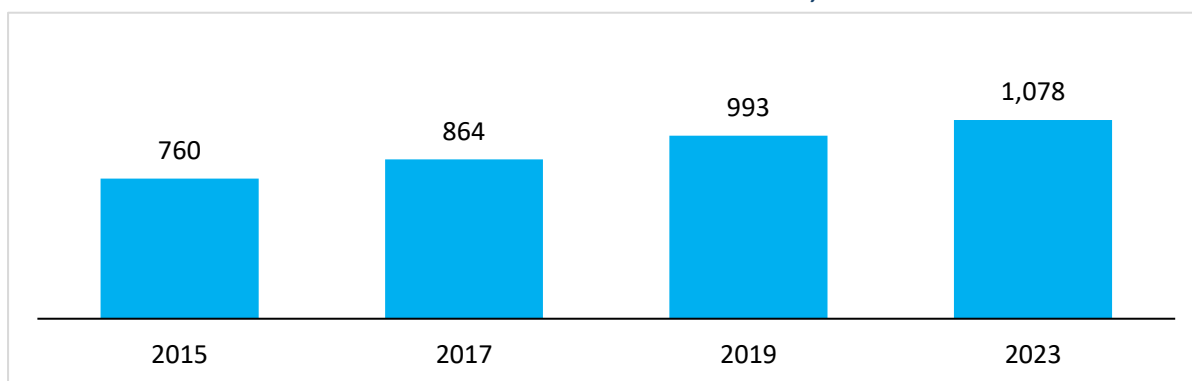
Exhibit 47: Number of colleges across India, FY 2015 to 2021 (in 1000's)



Source(s): India Brand Equity Foundation; PwC India; Various sources (UGC, Aishe, NEP)

In the financial year 2021, the number of colleges was over 43 thousand across India. This was an increase from the previous financial year's value of almost 42 thousand colleges.

Exhibit 48: Number of Universities in India, 2015 - 2023

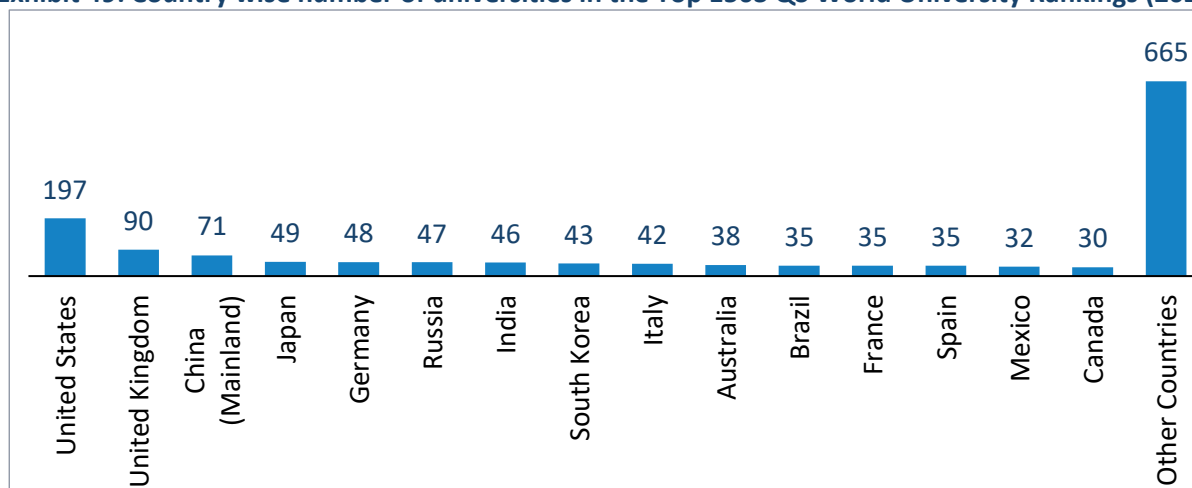


Source(s): India Brand Equity Foundation; PwC India; Various sources (UGC, Aishe, NEP)

According to University Grants Commission, as on 31 March 2023, there is a total of 1078 universities in the country out of which 464 are State Public universities, 128 are Deemed to be universities, 54 are Central Universities & 432 are State Private Universities. Forty Six Indian institutes were among the top 1503 universities in the QS World University Rankings 2025, while 31 Indian institutes featured in the top 1000 list.

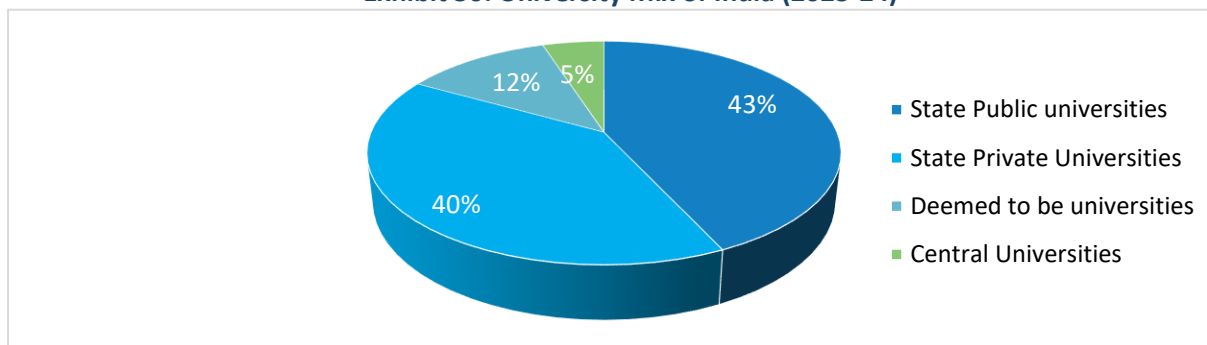
Students and parents recognise the value of acquiring a global perspective, accessing world-class educational institutions, and experiencing diverse cultures.

Exhibit 49: Country wise number of universities in the Top 1503 QS World University Rankings (2025)



Source: QS World University Rankings (2025); qs.com

Exhibit 50: University Mix of India (2023-24)



Source: University Grants Commission, AISHE 2020-21

3.3. Indian institutions at each level

A. Pre-primary Education:

Anganwadi Centers: These centers, part of the Integrated Child Development Services (ICDS) program, are rural childcare facilities run by the government. They provide health care, early education, and meals to children aged 0-6, along with maternal care services.

Kindergarten (KG) or Nursery Schools: These are private institutions offering preparatory education to children aged 3-6. They focus on developing fundamental cognitive, social, and motor skills through play-based learning.

B. Primary Education:

Primary Schools: Both government and private schools offer education typically spanning from Grade 1 to Grade 5. The curriculum covers fundamental subjects like mathematics, language (including regional and English), science, and social studies.

C. Secondary Education:

Middle Schools: Some states provide education from Grade 6 to Grade 8 in middle schools. These institutions build upon the foundational knowledge acquired in primary education and prepare students for higher levels of learning.

High Schools: Education from Grade 6 or Grade 9 to Grade 10 is provided in high schools. The curriculum becomes more specialized, preparing students for board examinations conducted by state or central boards like CBSE or ICSE.

D. Higher Secondary Education

Higher Secondary Schools: Education from Grade 11 to Grade 12 is offered in these schools, crucial years preparing students for higher education or entry into the workforce. The curriculum includes a variety of subjects, academic and vocational, based on students' interests and career goals.

E. Higher Education

Universities: India boasts a broad network of universities, encompassing central, state, and deemed universities. They offer undergraduate, postgraduate, and doctoral programs across various fields such as arts, science, commerce, engineering, medicine, and law.

Colleges: These institutions, affiliated with universities, provide undergraduate and postgraduate degrees in specific disciplines, tailored to meet industry demands and academic interests.

Technical Institutes: Premier technical institutes like IITs, NITs, and IIITs offer specialized education in engineering, technology, and related fields.

Medical Colleges: Government and private medical colleges offer undergraduate and postgraduate degrees in medicine, surgery, and allied health sciences, providing extensive training and clinical exposure.

Management Institutes: Institutes like IIMs offer postgraduate programs in management, including MBA and executive education.

Law Colleges: Institutes offering undergraduate and postgraduate degrees in law, including NLUs and other renowned institutions.

F. Vocational Education:

Industrial Training Institutes (ITIs): Government-run institutes offering vocational training courses in various trades, providing practical skills and industry certification.

Polytechnic Institutes: These institutes offer diploma courses in engineering and technology, focusing on practical training and skill development.

G. Distance Education:

Indira Gandhi National Open University (IGNOU): A central university offering a wide range of undergraduate, postgraduate, diploma, and certificate courses through distance learning, catering to diverse student needs.

State Open Universities: Various states operate open universities providing distance education programs, allowing students to study at their own pace from anywhere.

H. Specialized Institutions:

Indian Institutes of Science Education and Research (IISERs): These institutes focus on higher education and research in sciences, offering integrated undergraduate-postgraduate programs and doctoral research opportunities.

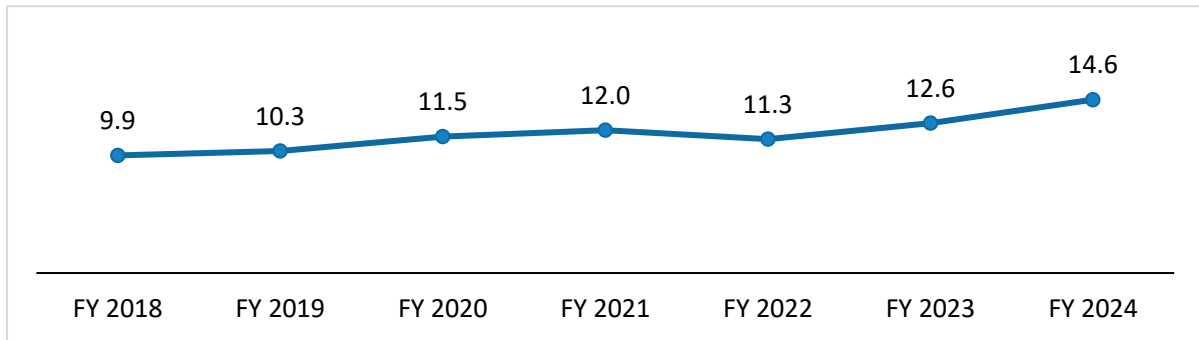
All India Institutes of Medical Sciences (AIIMS): Premier medical institutes offering undergraduate and postgraduate medical education, alongside advanced medical research and healthcare services.

Indian Institutes of Technology (IITs): Prestigious institutes offering undergraduate and postgraduate education in engineering, technology, and related fields, renowned for their rigorous academic programs and research contributions.

These institutions collectively contribute to India's diverse and expansive education system, meeting the educational needs and aspirations of millions of students across the country.

3.4. Boosting Investment in India's Education Sector

Exhibit 51: Budget allocation for the education sector in India FY 2018-2023 (in Billion USD)



Source: Ministry of Finance (India); Statista, 2024

Gradual Growth in Education Budget: The data illustrates a consistent upward trajectory in budget allocation for the education sector from FY 2018 to FY 2023, indicating a steady rise in government investment in education over this period.

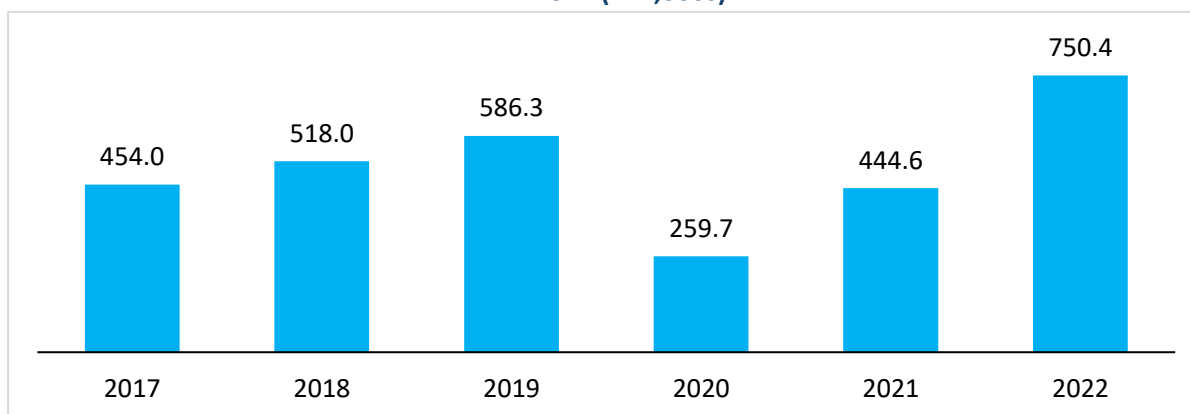
Noteworthy Surge in FY 2024: The budget allocation for FY 2024 saw a substantial increase compared to previous years, signalling a significant boost in funding for the education sector. This surge suggests a reorientation of priorities, possibly to address challenges arising from the COVID-19 pandemic in the education sphere.

Response to Post-COVID Challenges: The sharp rise in the education budget for FY 2024 can be attributed to the impact of the COVID-19 pandemic. Indian Government have acknowledged the imperative of investing in education to mitigate pandemic-induced learning setbacks, tackle learning gaps, and fortify the education system's resilience.

Government's Dedication to Education: The considerable budget augmentation post-COVID-19 underscores the government's commitment to fortifying the education sector. This dedication likely emanates from the recognition of education as a pivotal catalyst for socio-economic advancement, coupled with a response to emergent needs and challenges exacerbated by the pandemic, such as bridging the digital divide, addressing learning disruptions, and upgrading educational infrastructure.

3.5. Indian Students Studying Abroad

Exhibit 52: Number of Indian students who travelled abroad each year for education 2017-2022 (in 1,000s)



Source: Frost & Sullivan analysis

Fluctuating Trend: The data reveals fluctuations in the number of Indian students studying abroad over the years, with varying figures indicating both rises and falls in different periods.

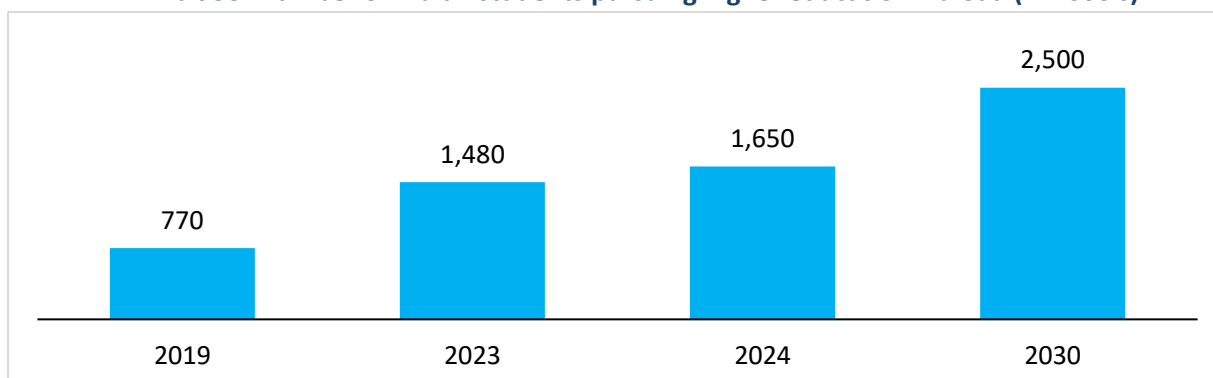
Consistent Growth from 2017 to 2019: There is a continual rise in the number of Indian students pursuing education abroad from 2017 to 2019. This trend signifies steady growth, reflecting an increasing inclination among Indian students towards seeking higher education opportunities overseas during this timeframe.

Significant Decline in 2020: The year 2020 witnessed a marked decrease in the number of Indian students studying abroad. This notable drop can be attributed to multiple factors, including the global COVID-19 pandemic, imposed travel restrictions, and disruptions in international educational activities caused by the pandemic.

Substantial Increase in 2022: The data for 2022 indicates a significant surge in the number of Indian students studying abroad compared to previous years. This upswing may suggest a recovery from the pandemic's impact as restrictions eased and international education opportunities resumed. Alternatively, it could be indicative of other factors such as enhanced accessibility to educational avenues abroad or alterations in government policies.

Overall, the data portrays a dynamic scenario regarding the number of Indian students opting for international education, shaped by a multitude of factors including economic circumstances, geopolitical dynamics, available educational prospects, and global occurrences like the COVID-19 pandemic.

Exhibit 53: Number of Indian students pursuing higher education Abroad (in 1000's)



Source : Frost & Sullivan

Total Indian students pursuing higher education abroad totalled around 7,70,000 in 2019, increasing to about an estimated 14,80,000 by 2023. The total number of Indian students studying abroad is expected

to reach 25,00,000 by 2030 growing at a CAGR of 7.8% (2023-2030). US, UK, Australia and Canada are the top destinations Indian students flock to for higher studies.

3.6. Education Trends

The education sector in India has seen significant advancements in educational technology (EdTech), driven by improvements in digital infrastructure, increased internet accessibility, and a growing demand for personalized and easily accessible learning. Here are some notable advancements:

A. Transition to Online Learning Platforms:

The COVID-19 pandemic accelerated the adoption of online learning platforms across all levels of education. Institutions, teachers, and students swiftly shifted to virtual classrooms, utilizing platforms such as Zoom, Google Meet, and Microsoft Teams for live lectures, discussions, and assignments.

B. Rise in Ed-Tech Startups

India experienced a surge in EdTech startups offering a wide range of educational services, from online tutoring and test preparation to skill development courses and career guidance. Companies like Byju's, Unacademy, Vedantu, and Toppr gained significant traction and investment.

C. Mobile Learning:

With smartphones becoming widely available and internet data plans becoming more affordable, mobile learning became increasingly popular. EdTech platforms optimized their content for mobile devices, enabling students, even in remote areas with limited access to traditional educational resources, to access education easily.

D. Personalized Learning:

EdTech companies utilized artificial intelligence (AI) and machine learning (ML) algorithms to provide personalized learning experiences tailored to individual student needs. These platforms analyze students' learning patterns and offer customized content, adaptive assessments, and real-time feedback.

E. Interactive Content and Gamification:

EdTech platforms incorporated interactive content, simulations, and gamified learning experiences to enhance student engagement and retention. These features make learning more enjoyable and effective, encouraging students to actively participate in their education.

F. Augmented Reality (AR) and Virtual Reality (VR):

AR and VR technologies were integrated into education, offering immersive and experiential learning experiences. Educational institutions and EdTech companies explored virtual labs, 3D simulations, and virtual field trips to make abstract concepts more tangible and deepen student understanding.

G. Teacher Training and Professional Development:

EdTech platforms offered online courses and resources for teacher training and professional development. Teachers gained access to workshops, webinars, and certification programs to enhance their digital literacy, teaching methodologies, and subject knowledge.

H. Assessment and Examination Solutions:

EdTech companies developed online assessment and examination solutions to conduct secure remote assessments, quizzes, and examinations. These platforms featured proctoring, plagiarism detection, and instant result processing, ensuring the integrity and efficiency of assessment processes.

I. Integration with Learning Management Systems (LMS):

Educational institutions embraced Learning Management Systems (LMS) to efficiently manage and deliver online courses, resources, and assessments. EdTech platforms seamlessly integrated with LMS to provide a unified learning experience for students and educators.

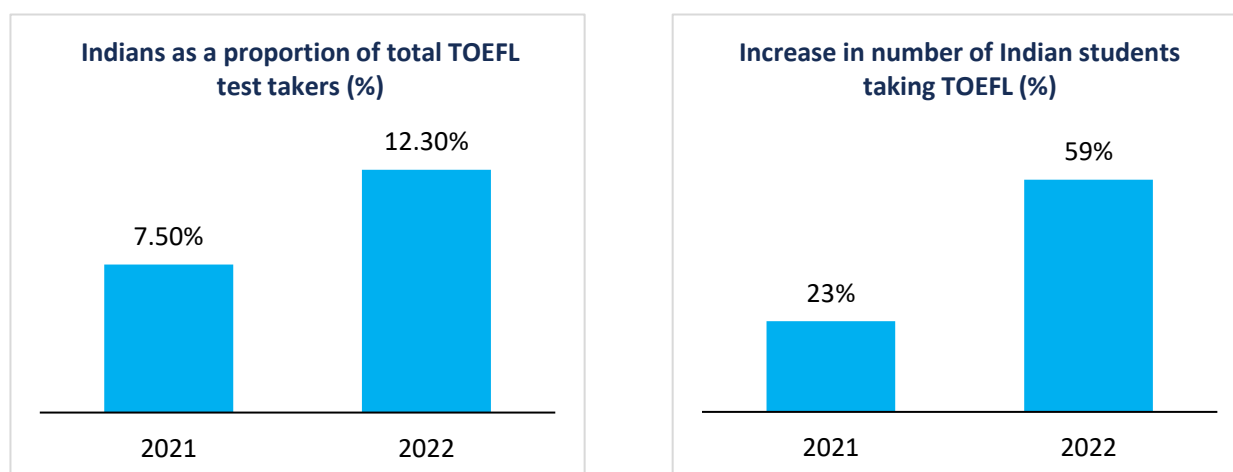
J. Government Initiatives and Policies:

The Indian government introduced initiatives such as SWAYAM, National Digital Education Architecture (NDEAR), and PM eVIDYA to promote digital learning and innovation in education. These initiatives aimed to bridge the digital divide and enhance access to quality education for all.

These advancements highlight the transformative impact of technology on education in India and its ability to cater to the diverse needs of students and educators. As technology continues to evolve, it is expected to play an increasingly central role in shaping the future of education in the country.

3.7. Rising number of Students taking TOEFL & IELTS

Exhibit 54: Rising number of Indian Students in TOEFL & IELTS Exams (%)



SOURCE : Frost & Sullivan; Secondary sources

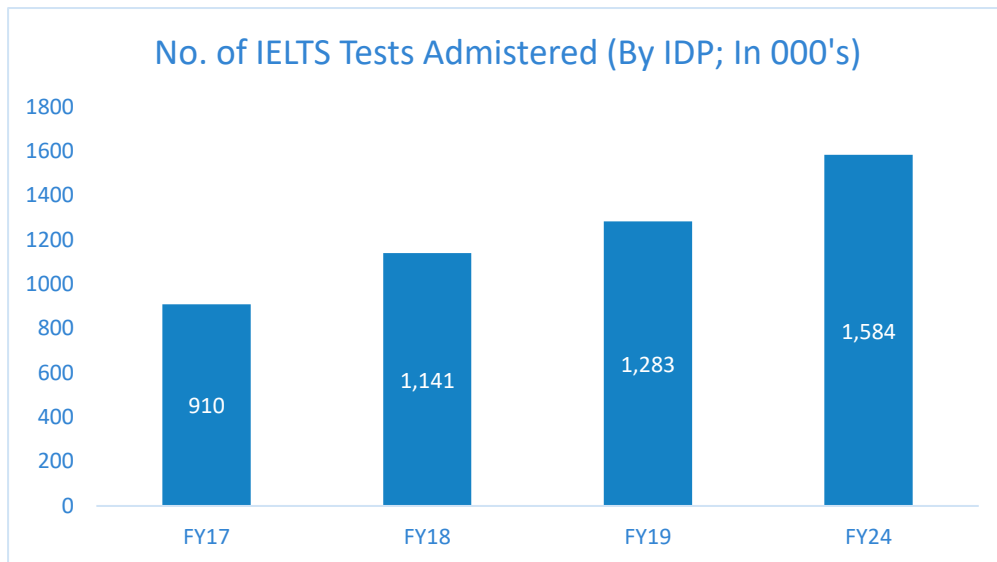
The latest findings reveal a consistent rise in the number of Indian individuals taking the Test of English as a Foreign Language (TOEFL), particularly among those aspiring to pursue secondary education and certifications abroad. ETS, headquartered in Princeton and responsible for conducting TOEFL and Graduate Record Examination (GRE) globally, notes that the percentage of Indian test takers aiming for licensure, certification, or secondary education overseas has increased from **5.83%** in **2021** to **7.77%** in **2022**. In contrast, the percentage of Indian test takers opting for TOEFL for employment or immigration purposes has declined from **8.19%** to **7.22%** over the same period.

Remarkably, in **2022**, the number of Indian TOEFL test takers has surged by **59%** compared to **2021** increase since the resumption of international travel after the COVID-19 pandemic, following a significant **53%** increase in test takers in **2021** compared to the preceding year.

The data indicates a growing trend of secondary education students choosing the TOEFL test. This trend reflects the evolving aspirations of the younger demographic, particularly in their pursuit of international education."

Moreover, the percentage of Indian test takers utilizing TOEFL for admission to graduate or postgraduate programs, whether in business or other fields, has risen from **70.84%** in **2021** to **71.87%** in **2022**, according to ETS data.

The International English Language Testing System (IELTS) is widely accepted by US colleges and universities as proof of English proficiency. IDP is the co-owner of IELTS, the world's leading English language test for study, work, and migration. In FY24, 3.98 million IELTS tests were administered overall around the world, with IDP delivering 1.58 million of those tests. The overall IELTS volumes have grown steadily from FY07 to FY24 with a 17 year CAGR of 10%.



Source : Annual Reports of IDP

3.8. Indian government and other scholarships and fellowships

United States of America:

1. Fulbright-Nehru Master's Fellowships: Offered to Indian students pursuing master's degrees in specific U.S. fields.
2. Fulbright-Nehru Doctoral Research Fellowships: Aimed at Indian students conducting part of their doctoral research in U.S. institutions.
3. The Inlaks Shivdasani Scholarships: Introduced in 1976, this scholarship is for degrees / courses in specific subjects like Mathematics, science, humanities, law, fine arts, social science, and architecture.

United Kingdom:

1. Commonwealth Scholarship and Fellowship: Available for Indian students pursuing master's, doctoral studies, and certain short-term research in the UK.
2. Dr. Manmohan Singh Scholarship: Dedicated to doctoral studies at St. John's College, University of Cambridge.

France:

1. Raman-Charpak Fellowship: Designed for Indian and French PhD students conducting part of their research work in each other's countries.

General (Multiple Countries/Global):

1. JN Tata Endowment Loan Scholarships: Supporting Indian students heading to various countries for higher education.
2. KC Mahindra Scholarship for Post-Graduate Studies Abroad: Geared towards postgraduate studies in multiple countries.
3. National Overseas Scholarship (NOS): Targeting SC/ST students for higher studies in various countries, including master's, Ph.D., and post-doctoral levels.
4. I.S.N. Bose Scholars Student Exchange Program for Indian Students: Facilitating research in U.S. institutions in select fields
5. Dr Ambedkar Scheme of Interest Subsidy on Educational Loan for Overseas Studies: For students coming from other backward classes (OBC) or economically backward classes (EBC)
6. Fulbright-Kalam Climate Fellowship: UNICEF-sponsored fellowship offered to doctoral, academic, and professional research introduced to encourage research in climate-change issues
7. The Lady Meherbai D Tata Education Trust: Merit-based-overseas program for women for higher studies in USA, UK and Europe
8. Cornell University Tata Scholarship: For students pursuing graduation at Cornell University
9. Indian Global Leaders Scholarship: For students pursuing further studies in Business, Law, or Economics at a university in Queensland

State-specific scholarships (Initiated by respective state governments in India):

1. Maharashtra State Government International Merit Scholarship: Available for students from Maharashtra admitted to top global universities.
2. Karnataka State Government Scholarship for Minorities: Geared towards minority students from Karnataka.
3. West Bengal Government Merit-cum-Means Scholarship Scheme: Designed for postgraduate studies abroad for students from West Bengal.

Special Categories:

Prime Minister's Scholarship Scheme for Central Armed Police Forces And Assam Rifles: Intended for wards/widows of deceased CAPFs & AR personnel and wards of personnel below officer rank with diverse country focuses. *The government of India's Department of Science & Technology* offers scholarships for the pursuit of Bachelor's and Master's degrees in Natural and Basic Sciences on an international level.

Prime Minister's Scholarship Scheme to cover tuition fees and other expenses for studying abroad for the children of Railway Protection Force (RPF) and Railway Protection Special Force (RPSF) personnel who have been martyred or disabled in the line of duty.

Initiatives undertaken by the Indian government to support education abroad

The "Student Handbook for Studying Abroad," launched by the India Center for Migration, a think tank under the Ministry on Migration Issues, was introduced on March 30, 2021. This handbook serves as a valuable resource for students aspiring to pursue education abroad. It provides essential guidance on planning studies overseas, managing travel and associated expenses, and ensuring safety and well-being while residing in a foreign country.

The MADAD Portal, inaugurated on February 21, 2015, is an online system for monitoring grievances managed by the Ministry of External Affairs (MEA). This e-portal stands as a flagship initiative of the Ministry under the Digital India campaign, providing a platform for Indian nationals living abroad to address consular issues with the Indian government.

4. UK Education Industry Overview

The education industry in the United Kingdom is a vast sector comprising several establishments and enterprises. With 26,105 enterprises, London is the most popular location for education companies, while Northern Ireland has the fewest, with just 1,046.

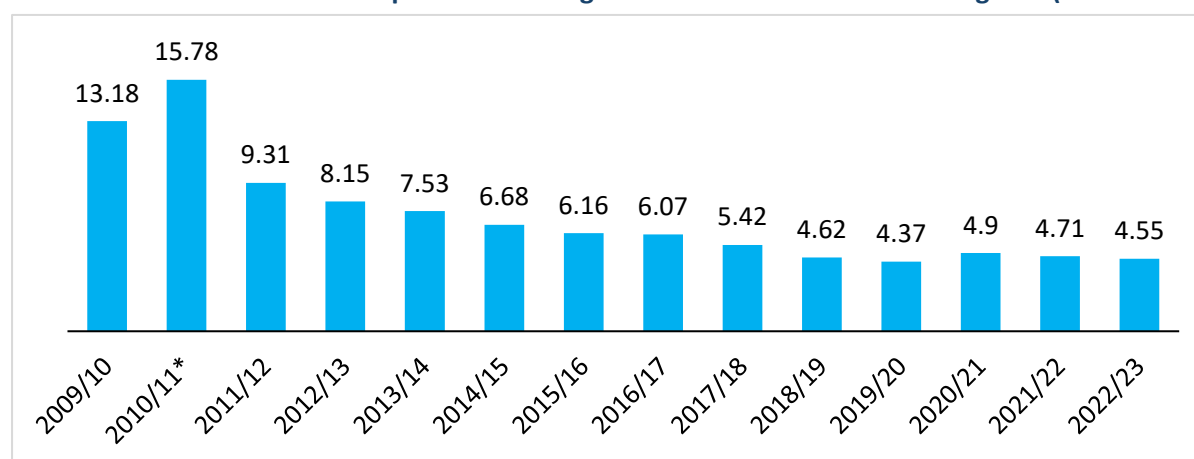
It is anticipated that the UK will remain at the forefront of the global education scene until 2024 and beyond. There is a growing demand for income diversification as it will be essential to mitigate financing constraints through the creation of new revenue streams. Institutions will have to concentrate their funding on technology, enhancing the student experience, and strengthening environmental, social, and governance (ESG) aspects. Apart from the US, the UK continues to have the highest number of universities ranked in the top 100 and the highest number of international students worldwide. All educational providers may find themselves considering additional ways to increase revenue and profit margins through new business ventures and by drawing in more international students. Due to financial pressure, all education providers in 2024 will need to carefully consider their spending.

4.1. Size and Growth of UK Education Industry

The education sector in the UK had a notable expansion between FY 2020 and FY 2023. The industry was predicted to generate 54.9 billion pounds in revenue by 2022. In 2022–2023, the UK government allocated 4.2% of its GDP on education. The entire amount spent by the UK government on education in the country rose by 5.1% during the fiscal years 2021–2022 and 2022–2023. Between 2021-22 and 2022-23, the number of students enrolled in maintained schools rose in England, Scotland, and Northern Ireland, but fell in Wales. Students enrolled in further education grew between 2020–2021 and 2021–2022. The UK government spent a total of £116 billion on education in 2022–2023 (prices for 2023–2024 included and the cost of issuing student loans included). In real terms, this is a £10 billion or 8% decline from 2010–11.

It is anticipated that the UK education sector would keep expanding in FY 2024. Being the second most popular study destination worldwide, the UK Higher Education sector enjoys a well-established international reputation for its world-class academic education and research.

Exhibit 55: Public sector expenditure on higher education in the United Kingdom (billion GBP)



Source(s): GOV.UK; HM Treasury; House of Commons

Government spending on higher or higher education in the United Kingdom was GBP 4.55 billion in 2022/23, compared to 4.71 billion in the previous financial year.

Almost, 79% of education spending went on schools -primary and secondary education. The relatively low share going on higher education is also because of the subsidy element of student loans which forms a large majority of higher education spending in England. There is a shift from direct funding to loans in England.

Further, there was a cap of £9,000 tuition fee introduced for domestic students in UK in 2012, which increased to £9,250 five years later. With the UK economy reeling under a rise in inflation, driving up the operating costs and salaries, in real-terms the value of domestic tuition fees has further come down. Universities face a shortfall on every home undergraduate student now, each academic year, which is bound to keep increasing.

In such a situation, universities in UK have become increasingly dependent on international students, who pay about double the domestic fees, and now account for a significant proportion of universities' income.

Schools: There is a wide variety of educational establishments in the UK. The UK had 32,163 schools, colleges, and institutions as of July 2023. This comprises 2,453 Independent Schools, 1,802 Special Schools, 1,341 Multi-Academy Trusts, 9,202 Academy Schools, 4,190 Secondary Schools, and nearly 20,000 Primary Schools. Every kind of school has distinctive qualities and adds to the UK's overall educational environment.

EdTech Businesses: There are roughly 1,000 EdTech businesses in the UK. These businesses provide a vast array of cutting-edge, inventive solutions that facilitate remote learning and give students access to engaging, creative instruction. The emergence of EdTech businesses signifies a change in the educational landscape toward digital learning and technology integration.

Higher Education: Over the next few years, there will likely be a major growth in demand for higher education in the UK. A crucial group for higher education, those between the ages of 18 and 25, is predicted to become less numerous starting in 2030. Nonetheless, the demand for higher education is significantly influenced by the participation rate. The number of people pursuing higher education has been steadily increasing in England, Scotland, and Northern Ireland in recent years. These numbers would sharply rise in England if the anticipated increases in participation are taken into account, resulting in a requirement for about 358,000 additional student spots.

International Students: Almost ten years ahead of schedule, the UK has enrolled 600,000 more international students than it had planned for 2030. In 2020–21, there were little over 605,000 foreign students enrolled at UK universities. This rising tendency is noteworthy since it coincides with both the COVID-19 epidemic and the UK's exit from the European Union. In 2021, the UK issued a record number of student visas, largely due to expansion in non-EU markets. This suggests that international students are still drawn to higher education in the UK.

4.2. University Landscape (No. of Universities, Average no. of courses offered etc.)

Number of Universities: 288 higher education institutions in the UK provided data to the Higher Education Statistics Agency (HESA) as of 2021-22. Universities and other providers of higher education fall under this category.

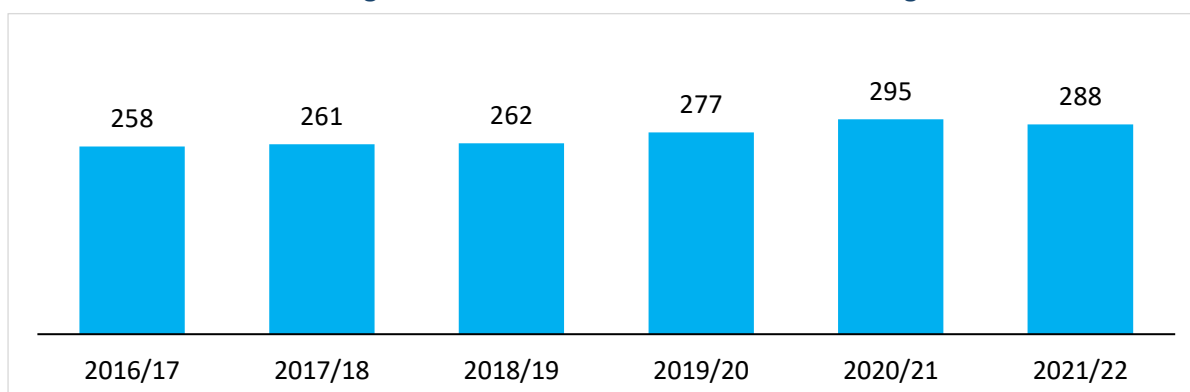
Enrollment: During the 2021–2022 academic year, there were more than 2.86 million students enrolled in UK higher education programs. This was the most students enrolled in this time frame that was offered.

Intakes : There are typically three admission cycles in the UK - September Intake/Fall Intake, January Intake/Winter Intake and May Intake/Spring Intake

Courses provided: Depending on the size and emphasis of the university, different courses are provided at different numbers. For example, with 530,460 enrolments in the 2021/22 academic year, business and management studies was the most popular subject category.

Future Goals: Some universities want to rank among the top 100 young universities worldwide and among the best modern universities in the UK by 2030. They want to become one of the UK's top civic universities, significantly expand their global reach and reputation, lead in environmental sustainability and become climate positive, meet changing demand and broaden participation, deliver globally recognized research and creative solutions that improve society, and immerse every student in a life-changing educational experience.

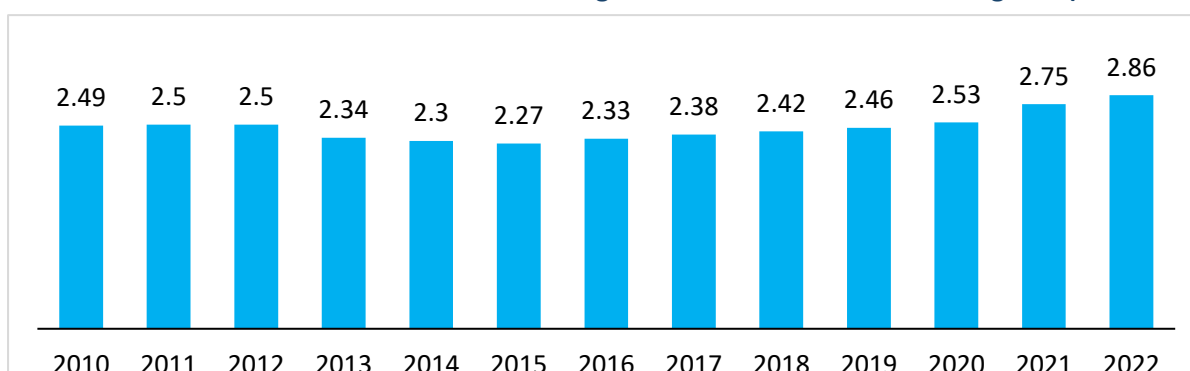
Exhibit 56: Number of higher education institutions in the United Kingdom from 2017 – 2022



Source(s): GOV.UK

There were 288 higher education institutions in the United Kingdom in the academic year 2021-22, compared with the previous year when there were 295

Exhibit 57: Number of students enrolled in higher education in the United Kingdom (in millions)

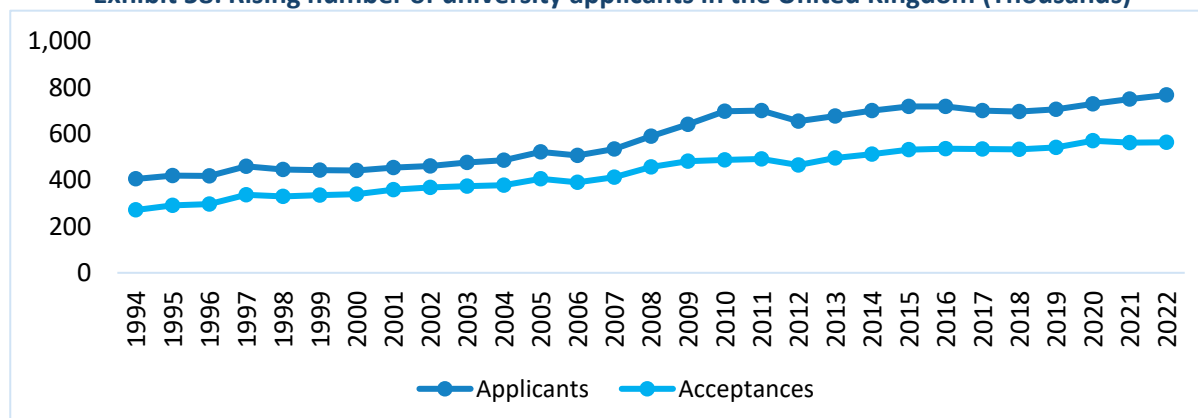


Source(s): HESA

In 2021/22 there were estimated to be over 2.86 million students enrolled in higher education courses in the United Kingdom, which was the highest number of enrolled students during this provided time period.

[Read more](#)

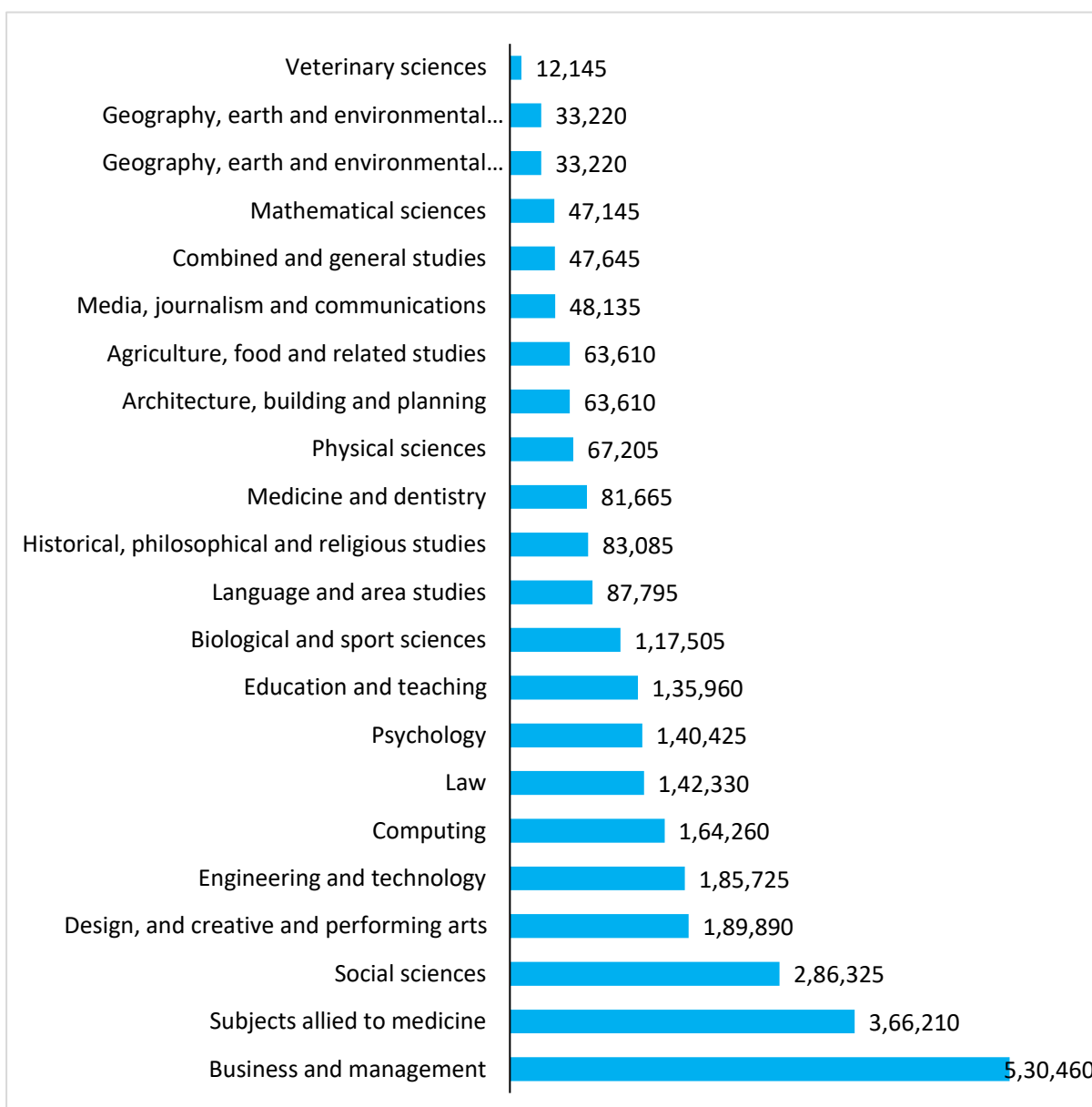
Exhibit 58: Rising number of university applicants in the United Kingdom (Thousands)



Source: House of Commons; Universities and Colleges Admission Service

In 2022 there were 767,000 applications for university made in the United Kingdom, of which 563,000 were accepted. Compared with 1994, when there were 405,000 applications for university, there has been a net increase of approximately 362,000 applications, with applications peaking in the most recent reporting year.

Exhibit 59: Number of university enrolments in the United Kingdom in 2021/22, by subject group



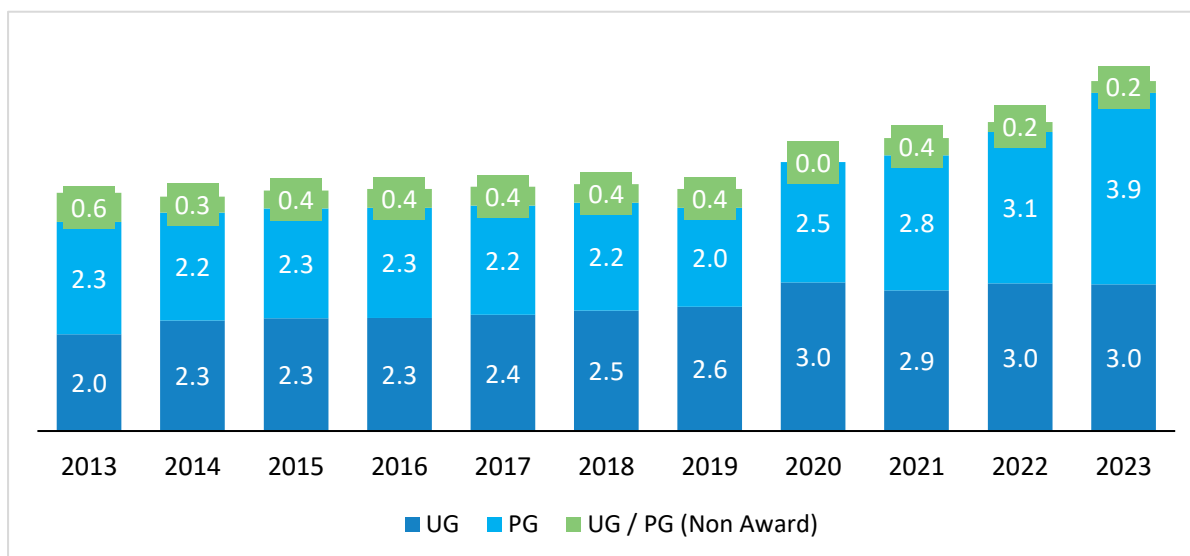
Source: HESA

4.3. Share of international students in undergraduate and postgraduate courses.

22% of all students in higher education in the United Kingdom were students from abroad in 2022-23. This suggests that there is a sizable number of foreign students enrolled in undergraduate programs, which adds to the diversity and global viewpoint of these courses.

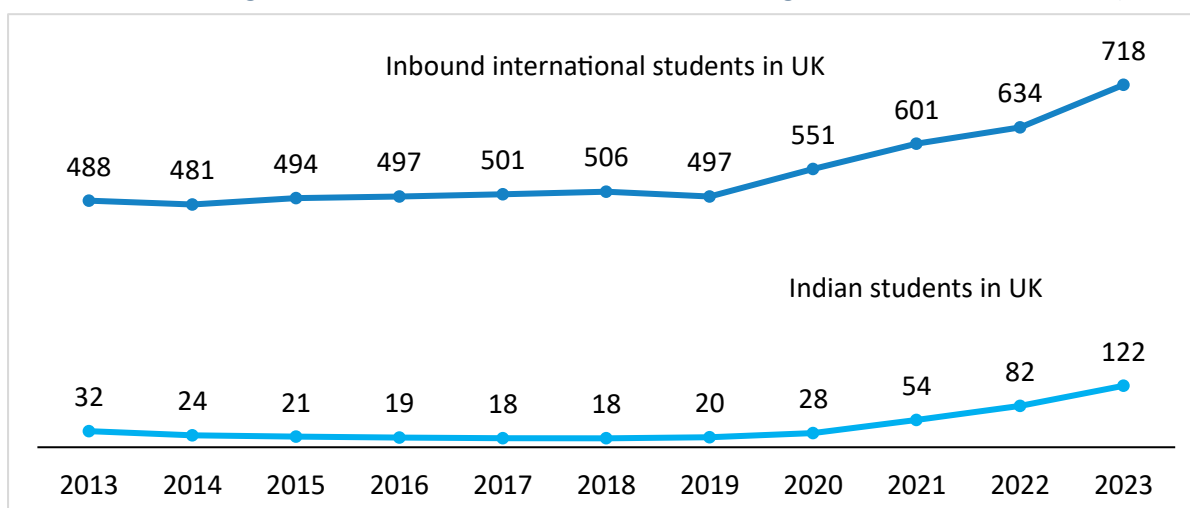
In 2020–21, the UK accepted 605,130 overseas students, fulfilling the 600,000-target set forth in the UK government's overseas Education Strategy nearly ten years ahead of schedule in 2030. The data indicates a notable increase in the quantity of overseas students opting to pursue their higher education in the United Kingdom. It was anticipated that the 2018–19 international student cohort brought in a total of £28.8 billion to the UK economy. Each parliamentary constituency saw an average net economic contribution from international students of £40 million to the UK economy.

Exhibit 60: Total Inbound higher education students into the UK split by UG / PG courses (Lakhs)



Source: IIE / Project Atlas

Exhibit 61: Rising number of Indian students in the UK for Higher Education, 2013-2023 (1000's)

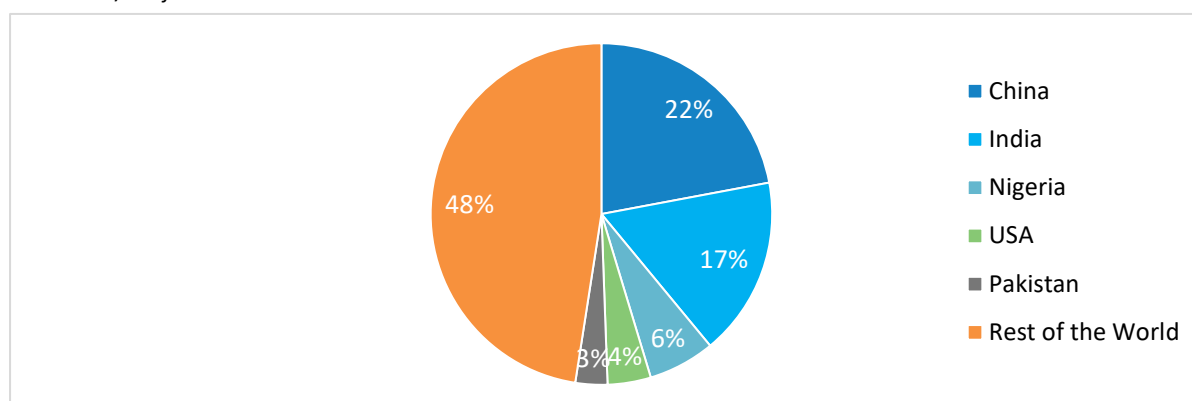


Source: IIE / Project Atlas

4.4. International students by home country

Exhibit 62: Leading countries of origin for higher education students studying in the United Kingdom

Source: IIE / Project Atlas



The percentages shown here indicate the portion of all international students enrolled in United Kingdom in higher education. China (22%), India (17%) and Nigeria (6%) are top three countries with the maximum students making their way into the UK for higher studies in the year 2023.

4.5. Key factors that attract students to the UK (VISA, Employability, Courses etc.)

The UK is a desirable destination for overseas students for several reasons:

Education Quality: The United Kingdom is home to several of the world's best universities, providing internationally renowned academic establishments. One of the main attractions for overseas students is the excellent caliber of education and research available.

Extensive Course Selection: Students have an abundance of options when it comes to degrees offered by UK universities. Due to the variety, students can select a course that best suits their own interests and professional objectives.

Impact on Future Careers: A degree from a UK university is highly valued by many employers. A student's career may benefit from studying in the UK if it opens up job options both domestically and abroad.

Employment Opportunities: International students can find employment in the UK. During their studies, students are permitted to perform part-time jobs; upon graduation, they can apply for a work visa and obtain UK work experience.

Cultural Experience: With a rich history and culture, the UK is a multicultural nation. This is something that international students can personally experience, which enhances their educational experience.

Ease of Visa Process: International students now have an easier time obtaining a student visa thanks to changes made by the UK government. More over 484,000 visas were granted in 2022, demonstrating a simplified and effective procedure.

Scholarships and financing: International students studying in the UK have access to a wide range of scholarships and financing opportunities. The cost of studying abroad may be lessened with the help of these financial aid programs.

Language: Since English is the primary language in the United Kingdom, students have a great opportunity to enhance their proficiency in the language. For students who hope to work in English-speaking nations in the future, this is very appealing.

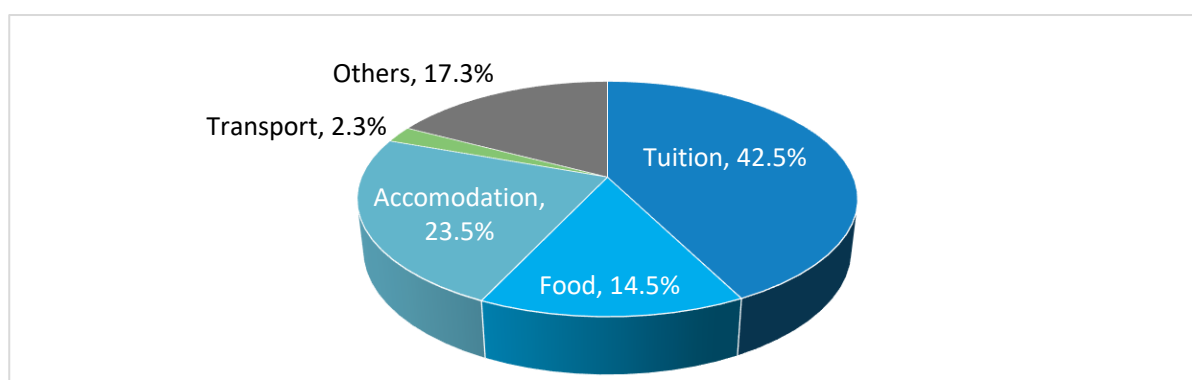
Historical and Cultural Links: The UK has long been a popular option for Indian students due to the historical and cultural links between India and the UK. Due to the substantial Indian diaspora in the UK, many people have family who currently reside there.

Cost and Time Considerations: One big advantage of the UK is that it is significantly less expensive and requires a shorter application process than the US. Because UK master's programs only last a year, they are more widely accepted and are thought to offer better value for the money.

5. Related Markets / Services

5.1. India - Total overseas education expenditure split

Exhibit 63: India - Total overseas education expenditure split (%)



Source: Frost & Sullivan

Expenditure for overseas education is a significant investment and encompasses various costs including tuition fees, living expenses, travel expenses, accommodation, insurance, and other miscellaneous expenses.

The cost of overseas education vary significantly depending on the destination country and the chosen institution. For example, studying in Western countries like the United States, United Kingdom, Canada, or Australia generally tends to be more expensive compared to studying in other regions.

Tuition fee is the most significant component (with a total of about 40 – 45% of expenditure allocated to it) of expenditure for students going abroad for studies. The tuition fee for a postgraduate program could vary from as low as USD 20k per year to USD 40k per year in some of the top destination countries like the United States and United Kingdom depending on the course selected. The tuition fee is on the higher side for these top destination countries of USA, UK and Australia, whereas for some of the other countries like Spain, France and Germany, its significantly lower.

India: Overseas education Loan Value/Market for Higher Education

(The section highlights overseas education loans extended by public sector banks only)

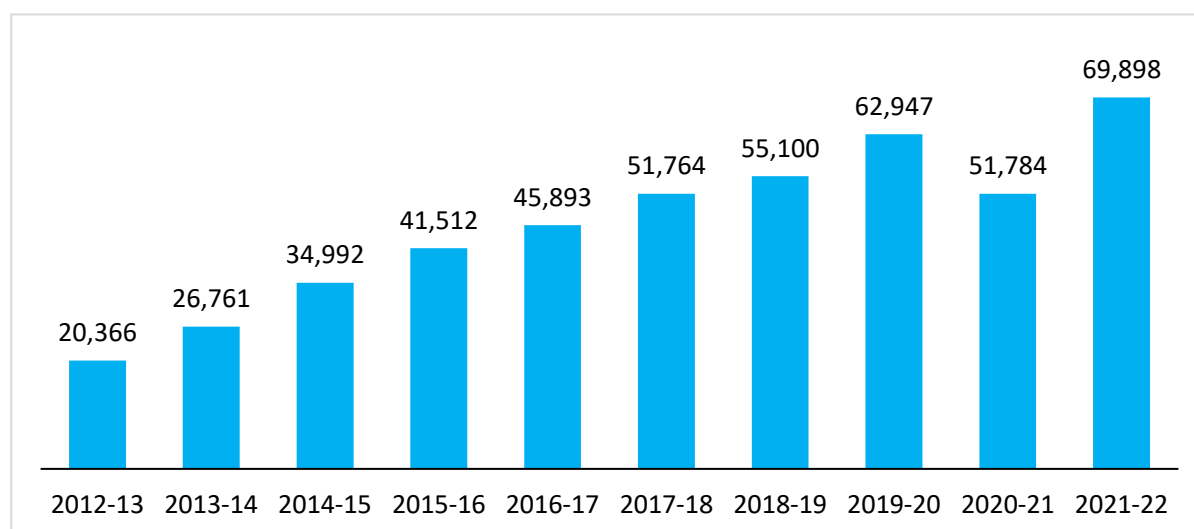
Education loans are serving as catalysts for the aspirations of students from economically disadvantaged backgrounds in various ways. The appetite for education loans in India has been steadily increasing, propelled by several factors such as escalating educational expenses, a surge in higher education enrolment, and heightened awareness regarding the advantages of educational financing. Non-Banking Financial Companies (NBFCs) have assumed a progressively significant role in India's education loan sector. NBFCs offer more adaptable terms and conditions compared to traditional banks, extending loans even to students with modest credit ratings. While Public Sector Banks (PSU banks) have traditionally been the

primary providers of education loans in India, their dominance in the market has waned in recent times due to heightened competition from NBFCs.

Based on data from the Reserve Bank of India (RBI), the total outstanding amount of education loans surged by 17 percent to reach INR 96,8.47 billion during the fiscal year 2022-23, compared to INR827.23 billion in the preceding year.

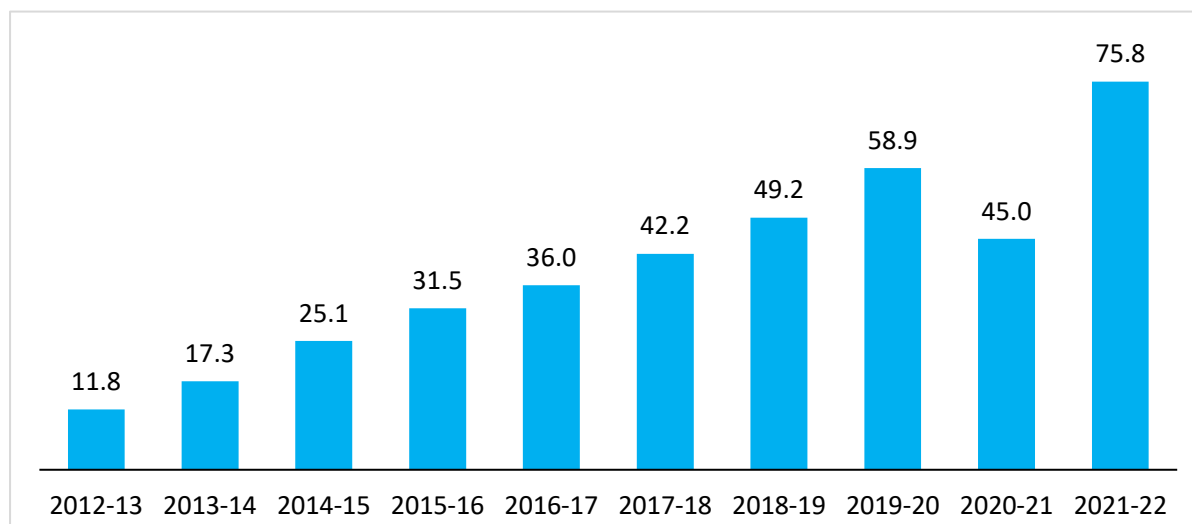
As reported by Public Sector Banks (PSBs), in the last 10 years, a total of 0.46 million students availed educational loans for studying abroad while INR 392.66 billion have been disbursed for study abroad loans in the last 10 years.

Exhibit 64: Loans disbursed by Public Sector Banks for Study Abroad (No. of Students)



SOURCE: Frost & Sullivan

Exhibit 65: Loans disbursed by Public Sector Banks for Study Abroad (INR Billion)



SOURCE: Frost & Sullivan

Except for the pandemic-impacted year of 2020-21, there has been a consistent year-on-year rise over the past decade both in terms of the number of students and the total amount of loans disbursed. In 2012-13, while the Public Sector Banks (PSBs) distributed loans to 20.37 thousand students, the same for 2019-20 stood at 62.95 thousand, just before the onset of the pandemic. The number of Indian students seeking education abroad rebounded in 2021-22, as evidenced by the rise in students taking loans for overseas

education, which surged to 69.89 thousand. In essence, the number of students obtaining loans for studying abroad more than tripled over this ten-year period.

The growth rate is notably higher concerning the total value of loans disbursed for studying abroad. In 2012-13, PSBs lent a total of INR 11.8 billion for overseas education purposes. With a consistent annual increase, this figure climbed to INR 58.8 billion in the year prior to the pandemic, i.e., 2019-20. In 2020-21, it decreased to INR 45 billion. However, in 2021-22, the total loan amount reached INR 75.8 billion, marking a more than six-fold increase compared to the amount disbursed in 2012-13.

5.2. India: Student Visa Market Potential

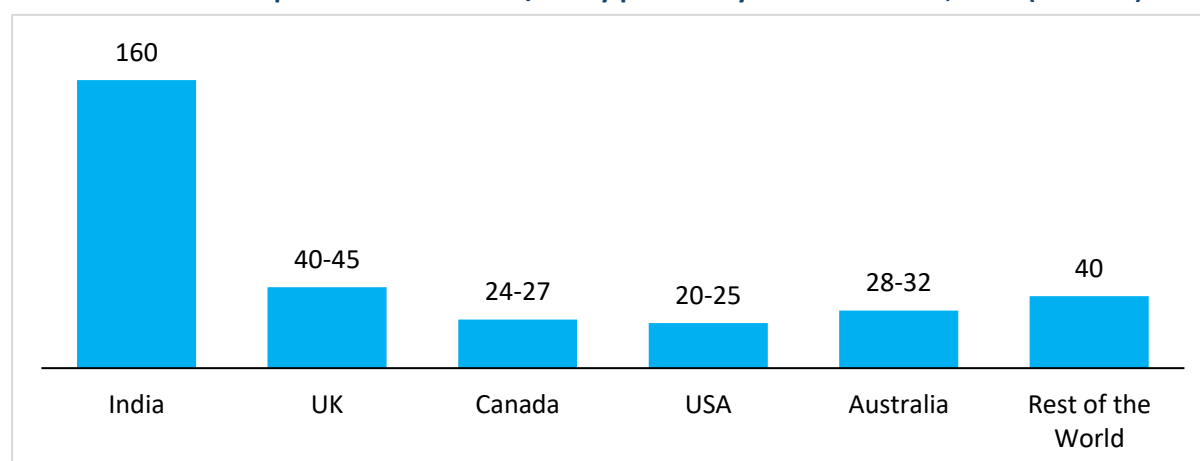
The number of study visas granted to Indians is increasing leaps and bounds as more and more students from India pursue higher studies abroad.

Exhibit 66: Record number of Study Permits / Visas issued by Destination Countries to Indian Students, 2022-2023

Study Permits / Visas issued by Destination Countries to Indian Students, 2022-2023		
Country	2022	2023
USA	1,25,000	1,40,000
United Kingdom	92,965	1,42,848
Canada	2,25,835	NA
Australia	62,640	56,000

Source : Frost & Sullivan ; Other secondary sources

Exhibit 67: Spend in student visa / study permits by Indian students, 2022 (USD Mn)



SOURCE: Frost & Sullivan

United Kingdom

In the year ending September 2023, the UK bestowed 486,107 study visas upon main applicants, reflecting a modest increase of 2% compared to the preceding year. In contrast, the UK experienced a substantial surge in study visa grants in 2022, with a staggering 77% rise compared to 2019 (a period unaffected by the pandemic), and a further 24% increase compared to 2021.

By June 2023, the UK Home Office had approved 142,848 sponsored study visas for Indian nationals, marking a remarkable upsurge of 49,883 visas, equivalent to a 54% increase compared to the previous year ending in June 2022 (when it stood at 92,965 total visas issued). This figure represents the highest number of study visas granted to any single nationality.

The estimated spend by Indian students in the year 2022 on study permits / student visa for the UK was in the range of USD 40-45 MN. While more than 2X students from India were in Canada for higher studies in 2022, yet the collective spend on UK visa was higher as cost per permit / visa for UK is 4X as that of Canada.

China and India have emerged as the leading two source markets, collectively contributing to over a third of all international enrollments. This shift can be partly attributed to recent tensions between India and Canada, which have redirected numerous students towards the UK as their preferred destination for higher education.

Canada

After diplomatic tensions arose between the two nations, Indian students were compelled to explore educational opportunities in alternative countries, leading to an 86% decline in study permits issued to Indian students in the fourth quarter of the previous year, dropping from 108,940 to 14,910 compared to the preceding quarter. Over recent years, Indian nationals have emerged as the predominant cohort of international students in Canada, with the nation issuing approximately 41% of all permits to Indian students in 2022, totaling 225,835.

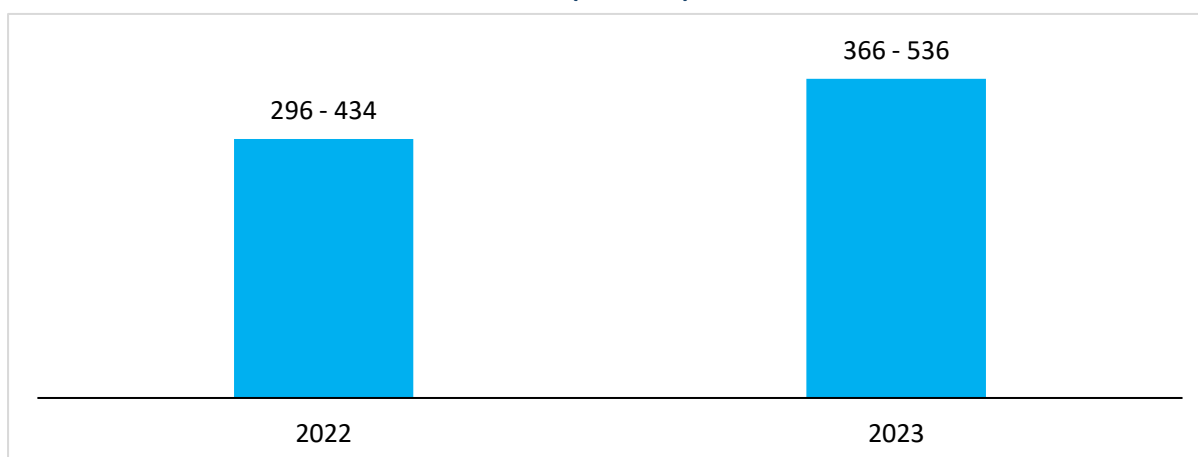
USA

As per the US State Department, the US Embassy and consulates across India granted more than 140,000 student visas from October 2022 to September 2023, marking an unprecedented milestone. Specifically, in 2022, a historic high of 125,000 student visas were issued to individuals of Indian nationality.

Australia

In the academic year 2022/23, more than 261,000 international students received student visas for higher education, comprising 52% of all student visas issued in Australia's educational realm. This statistic reflects a substantial increase of 38% compared to the numbers in 2018/19. Chinese students constituted 31% of the total student visas granted for higher education, with Indian students representing an additional 24%, equivalent to approximately 64,617 visas.

**Exhibit 68: Air Travel - Spend on Air Travel by Indian Students going abroad for studies, 2022-2023
(USD MN)**



Note: Estimations based on one-way average airfare for economy class and connecting major cities only;

Range highlights the variations in air fares at different points in time over the year

SOURCE : Frost & Sullivan

Overall, air travel is a significant financial consideration for international students, and careful planning and budgeting is essential to manage these expenses effectively. Additionally, seeking out discounts, booking flights well in advance, and exploring alternative travel options can help minimize the financial burden of air travel for international students.

Indian students are estimated to have spent around USD 296 – 434 Mn on air travel alone in 2022 flying out to their respective destination from the country. The same for 2023 is estimated to be USD 366 – 536 Mn.

6. Competitive Landscape

IDP

IDP Education (ASX: IEL), established in 1969 and headquartered in Australia provides student counseling, exam preparation, language assessment and visa application assistance. IDP also oversees the administration of the IELTS test, an internationally acknowledged English language proficiency examination necessary for numerous global study programs. Its revenue can be segmented mainly into Student Placement revenue and IELTS revenue.

CRIZAC

Founded in 2011 and headquartered in India, Crizac is a B2B education platform for agents and global institutions of higher education offering international student recruitment solutions to global institutions of higher education in United Kingdom, Canada, Republic of Ireland, Australia and New Zealand (**ANZ**).

APPLYBOARD

ApplyBoard was founded in 2015 and is headquartered in Canada. ApplyBoard offers a recruitment platform that helps international students apply for post-secondary studies abroad.

SI-UK

Founded in 2006 and headquartered in the UK, SI-UK is a international education consultant organisation, which works with universities and higher education institutions and helps students with the application and selection process at UK universities.

KC OVERSEAS

Founded in 1998 and headquartered in India, KC Overseas Education, offers services for Students, Universities, Franchisees and Partners. In addition to aiding students in navigating overseas admissions, KC Overseas provides pre-admission services such as career counseling, test preparation, and assistance with financial aid.

LEAP SCHOLAR

Founded in 2019 and headquartered in India, LeapScholar provides Guidance and information on top universities, courses, IELTS Coaching, Financial Help, Visa assistance and SOP review among other services.

LEVERAGE EDU

Founded in 2017 and headquartered in India, Leverage Edu, a study abroad platform, helps students with higher education and career guidance. These include course selection, visa assistance, education loans, and preparation for exams like IELTS, TOEFL, GRE, GMAT, and SAT. Additionally, Leverage Edu assists with SOP editing, real-time application tracking, and international fee payments.

CANAM

Founded in 1996 and headquartered in India Canam offers end-to-end assistance for international student admissions to universities in Canada, USA, UK, Australia, and New Zealand. The Company also provides Travel Assistance, Forex Assistance and Education Loan Guidance.

INDIAMART INTERMESH LIMITED

IndiaMART InterMesh Ltd is one of India's leading online B2B marketplaces, connecting buyers with suppliers across a wide range of industries. Founded in 1999, the company has established itself as a trusted platform for businesses of all sizes, offering a comprehensive database of products and services. IndiaMART's robust digital ecosystem enables seamless interactions between buyers and sellers, enhancing market accessibility and driving growth for millions of businesses. With a mission to make doing business easy, IndiaMART provides a scalable, secure, and efficient solution that supports the diverse needs of the Indian business community.

PEER BENCHMARKING:

	Crizac	IDP	ApplyBoard	SI UK	KC Overseas	Leap Scholar	Leverage Edu	Canam	Indiamart InterMesh Ltd.
Country / Headquarters	India	Australia	Canada	UK	India	India	India	India	India
Year Founded	2011	1969	2015	2006	1998	2019	2017	1995	1999
Capital Raised (USD Mn)	Nil	136.9	496	Undisclosed	Nil	152	70.0	Nil	184.8
Number of Acquisitions	1	4	1	Nil	Nil	1	Nil	Nil	3
Profit Making	✓	✓	NA	NA	✓	✗	✗	✓	✓
Multi Destination (University Location)	✓	✓	✓	✗	✓	✓	✓	✓	NA
Multi Source (Student Location)	✓	✓	✓	✓	✓	✓	✓	✗	NA
D2C	✗	✓	✗	✓	✓	✓	✓	✓	✗
B2B	✓	✓	✓	✓	✓	✓	✓	✓	✓
Admission office management	✓	✗	✓	✗	✗	✗	✗	✗	NA
Marketing and brand management for Universities	✓	✓	✓	✓	✓	✓	✓	✓	NA

Source: Company annual reports, various secondary sources, F&S analysis

FINANCIAL BENCHMARKING

Revenue from Operations (₹ million)

	Company Name	FY 2021	FY 2022	FY 2023	FY 2024
1	Crizac	1,110.8	2,635.3	4,729.7	6,348.6
2	IDP Education	7,888.3	11,772.2	19,275.8	27,684.9
3	ApplyBoard	NA	NA	NA	NA
4	SI UK	NA	NA	NA	NA
5	KC Overseas	978.0	904.7	4,468.6	NA
6	Leap Scholar	115.9	402.3	NA	NA
7	Leverage Edu	124.9	209.6	688.7	NA
8	Canam	965.4	1,302.0	1,605.0	NA
9	Indiamart Intermesh Limited	6,695.6	7,534.9	9,854.0	11,967.7

Source: Company Fillings, tracxn

Notes :

IDP Education has a financial year ending June. Hence June Ending 2024 figures have been shown as Fiscal 2024 and so on.

IDP Educations revenue show here is only from Student Placement

Indiamart Intermesh Limited has been included as a peer since it's a listed B2B platform in India

CRIZAC LIMITED

Crizac is a B2B education platform for agents and global institutions of higher education offering international student recruitment solutions to global institutions of higher education in United Kingdom, Canada, Republic of Ireland, Australia and New Zealand (**ANZ**). Student recruitment solutions from India into the United Kingdom is Crizac's strength as a result of its strong relationships built over time with global institutions of higher education in the United Kingdom.

During the 2021–2022 academic year, there were more than 2.86 million students enrolled in UK higher education programs. The number of Inbound International higher education students into the UK has been growing steadily from 5.5 Lakh in 2020 to 7.2 Lakh in 2023. Going further we expect this number to increase at a CAGR of 3.6% over the next seven years until 2030.

Crizac, as an international student recruitment solutions company, is well placed to capture this market given its wide network of partner universities across the United Kingdom.

Based on our comparison with peer companies - Crizac is one of the few companies among the given peer set that has not raised external capital to support its growth and is profitable. Crizac is also among the few players to offer additional services to universities admission office management. Providing these additional services ensures University stickiness and ensures a long-term working relationship between Crizac and the Universities.

Moreover, there is tremendous potential for Crizac to expand into large untapped markets such as the USA by leveraging their existing global agent network.

The number of Inbound International higher education students into the USA has been growing steadily from 9.5 Lakh in 2022 to 10.6 Lakh in 2023. The number of Indian Higher Education Level students in the USA meanwhile increased from 2.0 Lakh in 2022 to 2.7 Lakh in 2023 representing a 35% growth YoY.

India is one of the top two sources of international students in the United States. With increasing numbers of young Indians seeking quality education, the U.S. is poised for further growth in its international student base, especially from India. In fact, recent trends show the U.S. government is actively fostering ties to support these students through streamlined visa processes, positioning the U.S. as an attractive choice for higher education.

Threats & Challenges to the growth of the industry

However, the business of recruiting student for overseas education and the companies focused on the same face some key threats and challenges:

1. Visa and Immigration Policies

- **Tightening of Visa Regulations:** Changes in immigration laws, visa restrictions, or delays in processing student visas can deter prospective students.
- **Post-study Work Opportunities:** Uncertainty around post-study work options may discourage students if they feel there's no job security after graduation.

2. Political and Economic Instability

- **Geopolitical Tensions:** Strained relations between countries can affect student exchange programs or make the visa process more difficult.
- **Economic Downturns:** Economic instability in regions such as India, Nigeria, China may impact the ability of students and their families to afford international education.

3. Competition

- **Growing Local Institutions:** Indian universities are improving their quality and expanding programs, reducing the incentive to study abroad.
- **Other Destination Countries:** Emergence of new destination countries for international students could increasingly become attractive due to favourable visa policies, lower costs, or high-quality education and can act as a threat to existing ones.
- **Online Education and Remote Learning:** The rise of online learning platforms and remote degree programs can reduce the appeal of traveling abroad for education.

4. Cost of Education

- **Tuition Fees and Living Costs:** High costs of tuition and living expenses in top destination countries like the UK and USA are a significant deterrent. Fluctuations in currency exchange rates can further exacerbate this.

- **Lack of Scholarships or Financial Aid:** Limited access to financial aid or scholarships may dissuade students from pursuing overseas education.

5. Changing Student Preferences

- **Interest in Emerging Fields:** Interest in emerging fields like AI, data science, or sustainability, can force students to look elsewhere if they do not see these courses being offered by existing top destination countries / universities.
- **Cultural Differences:** Cultural barriers, homesickness, and differences in teaching methods could affect students' willingness to study abroad.

6. Reputation of Educational Institutions

- **Institutional Rankings:** Declining rankings or negative reviews about universities may lead students to seek alternatives.

7. Regulatory and Compliance Challenges

- **Changes in Education Policies:** Regulatory changes in the UK or USA regarding international student enrollment, or compliance issues with agencies in India, can pose obstacles.

8. Health and Safety Concerns

- **Pandemic-Related Disruptions:** Health crises like COVID-19 can lead to travel bans, campus closures, or a shift towards online learning, reducing the demand for physical relocation.
- **Security Concerns:** Personal safety issues in the host country, like campus crime, racial discrimination, or political unrest, can discourage students from enrolling.

9. Economic and Currency Fluctuations

- **Currency Depreciation:** Depreciation of the Indian rupee against currencies like the British pound or US dollar can increase costs for Indian students.
- **Economic Instability in Host Countries:** A struggling economy in the UK or USA could mean fewer part-time job opportunities or post-graduation employment options.

10. Cultural and Social Adaptation


- **Cultural Adaptation:** Difficulty adapting to the cultural differences in the destination countries could make international students hesitant to apply.

11. Global Competition for Talent

- **Shift in Talent Preferences:** More global institutions are offering tailored, flexible, and cost-effective programs, leading to stiff competition for top talent from India.

Recent developments such as anti-Immigrant protests also acts as a threat for international student mobilization

Recent anti-immigrant protests in the UK, with violent demonstrations erupting in response to misinformation following a stabbing incident in Southport in July 2024. These riots targeted hotels housing asylum seekers and were fuelled by rumours about the attacker's background. The protests spread across



multiple cities, raising concerns about escalating xenophobia. Meanwhile, counter-protests by anti-racist groups have also occurred, demanding action against disinformation and hate crimes.

In the USA, while large-scale anti-immigrant protests haven't been as widespread, there has been growing political discourse around immigration policies, particularly related to border security and refugee resettlement. Anti-immigrant sentiment, though less violent, has occasionally surfaced in protests, especially in border states. However, the USA continues to attract international students, largely due to its prestigious education system, even amid policy debates on immigration.

Further, the ongoing diplomatic tensions between India and Canada may have notable implications for Indian students currently studying in or aspiring to study in Canada. If diplomatic relations continue to strain, there could be delays in visa processing, reduced availability of post-study work opportunities, and potential restrictions on bilateral educational programs, all of which could impact Indian students' academic and career plans. Moreover, prospective students may face uncertainties in funding options or government-backed scholarships.