

 Early Warning System

IFC-38562

Byju's



## Quick Facts

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|--------------------------------|---|
| <b>Countries</b>               | India                                   |
| <b>Financial Institutions</b>  | International Finance Corporation (IFC) |
| <b>Status</b>                  | Active                                  |
| <b>Bank Risk Rating</b>        | B                                       |
| <b>Voting Date</b>             | 2016-08-23                              |
| <b>Borrower</b>                | Think and Learn Private Limited         |
| <b>Sectors</b>                 | Education and Health                    |
| <b>Investment Type(s)</b>      | Equity                                  |
| <b>Investment Amount (USD)</b> | \$ 15.00 million                        |



## Project Description

### PROJECT DESCRIPTION

Founded by Mr. Byju Raveendran in 2011, Think & Learn Private Limited ("Byju's" or the "company" - byjus.com/) started as an offline test prep provider for management, engineering and the Indian Civil Services exams, which later expanded into brick and mortar based coaching for school students. Since the launch of its application "The learning app" in August 2015, the company has moved from classroom to app based learning, Accordingly, Byju's now follows a self-paced learning methodology using a mix of immersive learning videos, assessments and testing customized to each student's pace and style of learning, delivered through the app, which has seen close to 4 million downloads till April 2016. The offline/brick and mortar coaching has been phased out since June 2015. The company now has a team of about 800 employees, most of whom are involved in content, media and technology development and are based at the three offices of company in Bengaluru in Karnataka. The proposed investment is an equity investment of upto \$15 million in the company for expansion of its education services offering, further technology development and pursue inorganic growth opportunities ("the project"). In the near future, the company aims to use its strong technology platform to foray into international markets to provide K-12 educational content and bringing in revenues from the export of educational services (i.e. developing content for other countries' curricula).

### OVERVIEW OF IFC'S SCOPE OF REVIEW

Considering that this is a human resources (HR) based operation, IFC's review of this investment consisted of reviewing the company's operations, with a focus on HR policies vis-r-vis the requirements of the IFC Performance Standards (PSs). Also, company's provisions on fire safety and emergency response were reviewed. The appraisal included desk review of the relevant information provided by the company and discussion with the company's senior management.

### IDENTIFIED APPLICABLE PERFORMANCE STANDARDS\*\*

While all Performance Standards are applicable to this investment, IFC's environmental and social due diligence indicates that the investment will have impacts which must be managed in a manner consistent with the following Performance Standards. PS 1 - Assessment and Management of Environmental and Social Risks and Impacts PS 2 - Labor and working conditions If IFC's investment proceeds, IFC will periodically review the the project's ongoing compliance with the Performance Standards

There are no physical assets (apart from the company's offices/-development centers located in leased buildings) and the company's current operations are and future operations are expected to be mainly related to online content and technology development. Hence, the issues and risks envisaged by Performance Standard (PS) 3: Resource Efficiency and Pollution Prevention, PS4: Community Health, Safety and Security, PS5: Land Acquisition and Involuntary Resettlement, PS6: Biodiversity Conservation and Sustainable Natural Resource Management, PS7: Indigenous Peoples and PS8: Cultural Heritage are not expected for this investment.

### ENVIRONMENTAL AND SOCIAL CATEGORIZATION AND RATIONALE

This is a Category B project according to IFC's Policy on Environmental and Social Sustainability because key E&S risks and



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## Contact Information

### ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at [CAO@worldbankgroup.org](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>