Sahaj Khandelwal, Suhina Ahuja, Parth Mandhana, Devin Gupta, Vir Singh
Entrepreneurial Marketing and Finance (ENT-301)
3rd December 2021
Professors: Divya Krishnan and Sushil Jhangiani

Final Project Report: Naukri Academy

I.   Product: Naukri Academy

Who are we?

Naukri Academy is a chain of holistic career development platforms that aims to improve youth employability in India by offering candidates various opportunities for their professional and personal development. We have a team of highly qualified faculty, practitioners and counsellors who are committed to give the best educational experience.

What do we do?

Our chain of academies across the country would:
- Offer the flagship "Naukri Career Preparatory Fellowship". This 3 month program would cover core employability, entrepreneurial and digital skills and prepare students for careers in specific industries.
- Assign immersive industry projects to candidates once they complete the training to give them hands-on work experience.
- Conduct crash courses in college campuses across India before placement season
- Offer after course services such as career coaching, resume review, interview prep.
- Arrange for events like roundtable discussions for specific industry driving topics and guest speakers who are in management positions.

Naukri Academy, thus, would be a place where candidates would take their career to the next level. Research shows that in India, less than 50% college graduates are employable (India skills report, 2021). Given that we had 64.7 lakh university graduates (2019 WB estimate) in 2019, that is a significant proportion of human capital not utilized to its full potential. We aim to bridge this gap in the marketplace.

II.   Segmentation and Targeting

India being the 2nd largest country in the world proves to be a huge and diverse market for a product launch. For Naukri Academy, we need to understand the value proposition of the product and who will benefit from it the most. While our broader universe of customers is "*university students and relatively inexperienced young job seekers who are looking to upskill themselves, gain work/project experience, become more employable and make their CV stand out*", we will use certain segmentation variables to carve out our niche and get a better ROI on our investment.

1) **Geographic Segmentation**: We will target students from major metropolitan cities like Delhi NCR, Mumbai, Pune, Hyderabad, Bangalore and Chennai. In our first phase, we will start with our centers in Delhi NCR – owing to the fact that popular commerce/arts universities in

the capital like Delhi University, IP University, JNU attract students from all over the country. Another reason for choosing Delhi is that many private universities are located in and around the NCR like Ashoka, OP Jindal, Bennett, Shiv Nadar University, Symbiosis etc.

2) **University Segmentation**: Since our academies would start in Delhi, we have categorized universities in and around Delhi NCR into various buckets based on whether they are public/private/tier 1 or tier 2/tier 3 or engineering/non-engineering.

We would want a similar segmentation in other states when we later expand.

a)   **Government run Engineering Universities**: Like IIT, DTU, IGNOU, IIT, JNU, NIT etc.

b)   **Government run Commerce/Art Universities**: St. Stephens, LSR, SRCC and all Delhi University and IP university colleges

c)   **Private Universities**: Ashoka, Jindal, Krea, Shiv Nadar, Symbiosis, Amity, Bennett, Flame

From the above, we wouldn't want to reach out to tier 1 engineering and commerce colleges like IIT, DTU, SRCC, St. Stephens, NIT etc. since most of these have 100% placement records. Students from tier 2 government institutes and private institutes (as described above) will be our initial target since they are more likely to relate with the issue of skill gap and our product offering.

3) **Demographic Segmentation**: Pursuing undergraduate studies or recent graduates, age primarily between 18-25 in the above mentioned category of colleges. Based on where they fall within this age group their motivations for why they would like to enroll in our course may differ. We can segregate them into 2 categories:

a) **18-20**: This would include college students that still have a couple years left to graduate. As such, they are more likely to be optimistic and ambitious with regards to their careers. For this group our key messaging would have to be directed towards their desire to land their dream jobs.

b) **21-25**: By this stage people are either approaching the end of their undergraduate journeys or have already started working full time. At this point, if people are looking for upskilling opportunities, their reasoning for doing so is likely to be a sense of urgency. This may be felt because of the belief that the individual will not get a job or because they are stuck working a job they do not enjoy. Either way, for this age bracket the sense of urgency is something that we should be able to tap into.

4) **Behavioral Segmentation**: Here, we tried to better understand the needs and wants of our customers and used empathy mapping for the same. Our ideal customers feel restricted, confused, stressed after not getting enough opportunities and their need is to eventually get a good company to work in – In the meantime, they are looking for ways to bolster their resume and upskill themselves through quality career development platforms.

To better understand the behavioral temperaments of the above mentioned categories we have created empathy maps for each of them to map out their thoughts, feelings and concerns.

For our first age group (18-20) our user is represented by Arjun. A second year student at Ashoka, Arjun is filled with ambition and hopes of joining a large FMCG firm like HUL. As someone who wants to be a marketer, he has taken multiple courses in psychology and communications, however, he keeps hearing from his friends that the field of marketing is becoming more and more data driven every day. Scared that he may be lacking in his data skills, Arjun is now considering enrolling in our academy. The following is his empathy map:
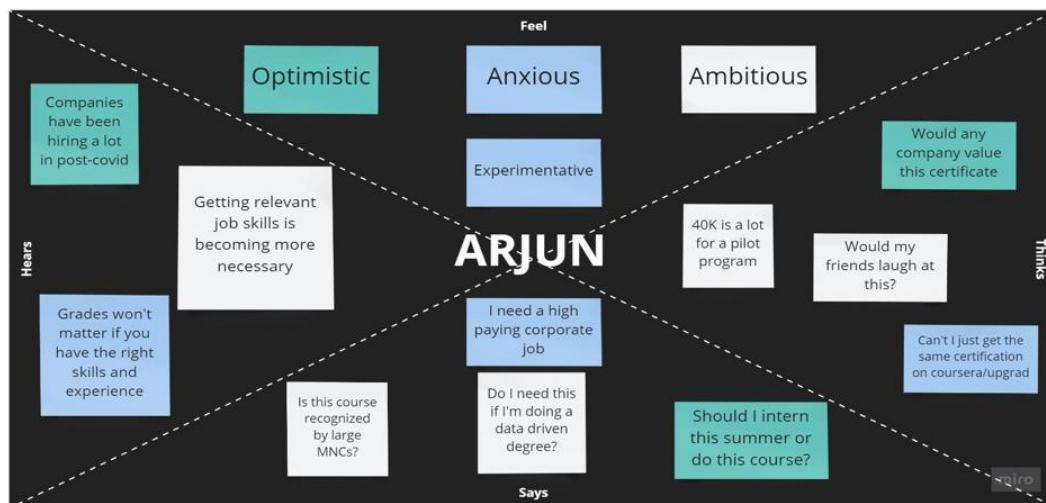
For the age group of 21-25, our user is represented by Aditya, a 4th year student at Ashoka. When Aditya entered University, much like everyone else, he had high hopes for his future. He was determined to complete his Economics degree and leave Ashoka to become a data analyst at a big Investment Bank. However, soon enough he found out that his degree was not all that he thought it was and that compared to his peers he was starting to fall behind. While his peers were getting great jobs is stuck not knowing what to do. His empathy map is as follows:
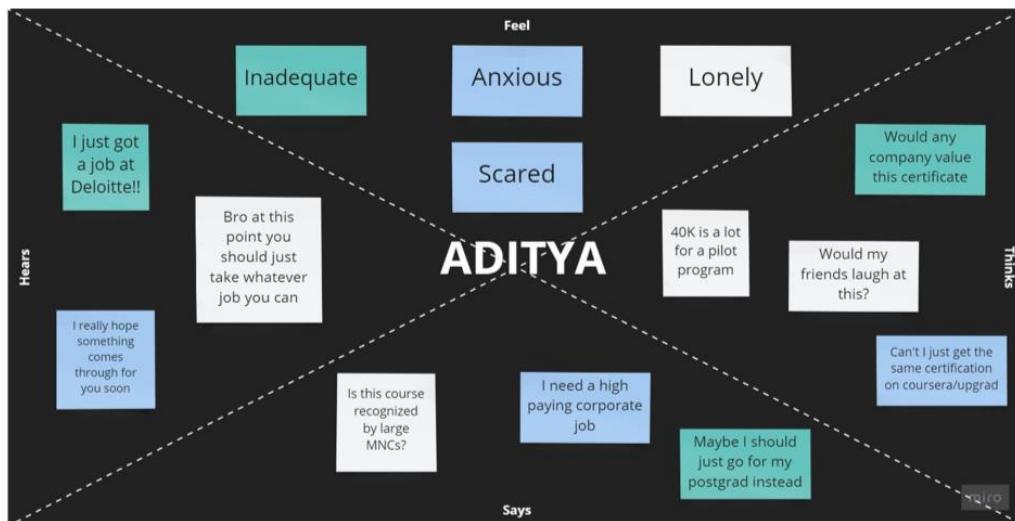
Based on the above segmentation and our market research and survey results (refer to exhibit 1 for detailed market insights), we find that the segment consisting of **Students from tier 2 government institutes offering commerce/arts degrees (lower ranked colleges in Delhi University, Indraprastha University etc.) and private universities, who currently reside in Delhi NCR and major metropolitan cities, are recent graduates or pursuing undergraduate studies, age 18-25** hold the most potential for Naukri Academy. Our customers are looking to enter the workforce and develop their skills for that.

III.   Positioning

- **Brand mantra** - To provide a quality learning, upskilling and networking experience for candidates
- **Points of Parity (with competitors)** - Range of modules offered similar to online platforms
- **Points of Difference** - Experiential in person coaching, all career services like interview prep, resume writing etc. at one place, industry projects after training, networking and personal mentorship
- **Functional Benefit** - Outstanding upskilling career oriented modules with immersive projects
- **Emotional Benefit** - Giving you a smooth university to job transition and thereby making you more confident in your career
- **Consumer Target Audience** - University students and job seekers as described in the segmentation section. (They are from major metropolitan cities from lower ranked tier 1/tier 2/tier 3 public universities or private universities - age 18-25 - they are looking to enter the workforce and develop their skills for that)
- **Frame of reference** - All in one career development platform
- **Consumer Insight** - They feel stressed and lack of skills/experience gives them less opportunities
- **Consumer Takeaway after product use should be** … *"Naukri Academy is the best career development upskilling platform to prepare for careers in specific fields and learn a range of trending digital and employability skills. It added a spark to my resume and got me job ready"*

Positioning Statement: For *university students and relatively inexperienced young job seekers who are looking for a quality career development platform*, Naukri Academy is the *upskilling brand* that gives you *outstanding career oriented modules and fellowships* because of its *high class faculty and trained industry professionals*, so that you have a *smooth transition from university to job* and are *confident* going ahead

IV.   5C Analysis

Company:
- Naukri.com is India's No. 1 job site and the flagship brand of Info Edge which introduced the concept of e-recruitment in India. Since its inception in 1997, Naukri.com has seen continuous growth while outperforming its competitors in every sphere. The primary aim of the company is

to serve as a platform that connects job seekers and recruiters and assists them in every possible way.

- Our product "Naukri Academy" is synergistic to the existing brand as it aims to upskill and holistically develop job seekers, thereby increasing their chances of being employed. It recognizes that "employability" is an emerging issue in India as only 45% university graduates are employable and there is a huge skill gap (India Skills Report, 2021). 21st century jobs require vastly different skills and our company will prepare candidates for that. By doing this, we ensure we contribute to Naukri's main aim of providing recruitment to candidates and talented people to recruiters.

Collaborators:

- With career development in mind, the main objective of students who choose us will be to land jobs or internships at certain organizations that operate in the domain of their choice. Therefore we will have to attract businesses willing to recruit from us, and maintain strong relationships with their HR teams.
- Next, most of our marketing would take place at university fairs, and through universities' career development portals. Therefore, maintaining strong relationships with Career Development Offices of target universities is important.
- The success of our business model depends heavily on whether we can attract these collaborators and to what extent they are willing to form alliances. Credible faculty, career coaches and practitioners who would teach students will play a pivotal role in enabling a quality student experience.

Customers:

- The biggest customer base for Naukri Academy will be "Students from tier 2 government institutes offering commerce/arts degrees (lower ranked colleges in Delhi University, Indraprastha University etc.) and private universities, who currently reside in Delhi NCR and major metropolitan cities, are recent graduates or pursuing undergraduate studies between age 18-25"

Competitors:

- The emergence of EdTech companies such as UpGrad, EdX, Coursera and Udemy over recent years might be a threat to customer acquisition (detailed list of companies can be found in exhibit 2). However, we offer several added benefits and intend to be a holistic all in one career development platform that values experience as much as it values skills.
- For one, the experience is in person, and therefore there would be much more to learn through interactive learning. Secondly, it also becomes easier for students to network with fellow students in an offline setting. Thirdly, we will also establish "Naukri Counsel", a place where candidates can get personalized mentoring, career coaching, resume review, interview prep etc.
- Next, we would also have "Naukri CareerPreps" where students would be able to prepare for specific careers like marketing, finance, consulting etc. Lastly, we offer guaranteed internships and immersive projects after our programs, meaning measurable added value for our students who would gain hands-on experience.

India's edtech landscape

V.   Marketing Mix: 4P's of Marketing

Product – Based on consumer pain points, market insights and shortcomings in the industry, our flagship product will be the "*Naukri Career Preparatory Fellowship*" – which will be an intensive, hands-on experiential learning program for 3 months offered at our affiliate centers.

The proposed design of our fellowship is as follows:

Module 1: Core Skills and Professional Development
- Critical thinking, business communication, leadership, design thinking and entrepreneurial mindset
- Digital Professional Workshop – MS Office (Excel and PPT), Data Analytics, Digital Marketing, Web and App Development, Python

Module 2: Market Awareness and Application
- Sessions on careers in finance, marketing, consulting and other sectors
- Understanding JD's, industry specific resume reviews and interviews
- Business Analysis and Strategy
- Guesstimates and Case Studies
- Masterclass with senior leaders from industry

Module 3: Project with Client
- Work on a hands on project with a real business and add a spark to your resume

Module 4: Interviews and Career Coaching
- Mock interviews, one on one career coaching and mentoring with experts, resume review, job assistance

Please refer to our prototypes in exhibit 4.

Price - The steps which we used to arrive at pricing are as follows
- **Pricing Objective** – Maximize current and future profits
- **Determining Demand** – To measure price sensitivity and estimate demand at different prices, we circulated a question in our survey which asked consumers their willingness to pay. The findings of that are shown below. Majority customers are willing to pay between 45-50k for a 3 month fellowship.

Consumers Willingness To Pay For Naukri Career Fellowship
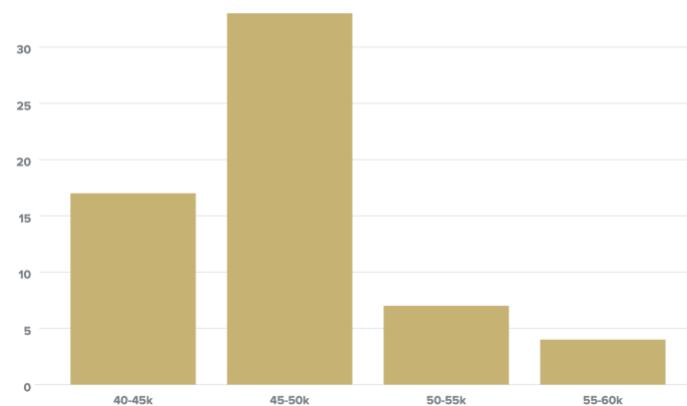
- **Estimating Costs** – Demand sets a ceiling on the price the company can charge for its product. Costs set the floor. To understand our costs better, we estimated each fixed and variable costs for the first 5 years, the details of which can be found in our financials in exhibit 5.
- **Analyzing Competitors Price** – Our nearest competitor is the 6 month fellowships offered by UpGrad on various disciplines like product management, marketing etc. for which they charge around INR 1,00,000.
- **Selecting Our Price** – We price our 3 month fellowship at INR 48,500, keeping in mind industry benchmarks, consumer willingness and the high quality of career services we would offer.

Place: To enable in person coaching and provide an immersive experience, our flagship product "Naukri Career Prep Fellowship" would be offered at our affiliate centers across major metropolitan cities like Delhi, Mumbai, Pune, Bangalore, Hyderabad.

Promotion: We would use digital marketing, social media, seminars in various public/private universities as our promotion strategy. More details on this can be found in our marketing plan.

VI. Marketing Strategies

We would establish a marketing funnel which consists of 4 stages given below:

- **Awareness**: This is the stage where customers would become aware of our product and business. Here, we would employ a mix of digital marketing strategies including content marketing, inbound marketing, SEO and social media. Marketing at this stage would be aimed at reaching the maximum number of customers. We would also conduct talks/seminars at various colleges.
- **Interest and Evaluation**: In this stage, customers have moved from the awareness phase and are interested in our product and evaluate it against competitors. Marketing at this stage would be more educational and would include seminars at various universities, email marketing, demo videos on our YouTube channel.
- **Decision**: Finally, it comes to the purchase/enrollment decision. Marketing at this stage could include giving added benefits/incentives to candidates, sales calls, demos etc.

With such a funnel, we can see how many people are exactly dropping off at each step and know where we exactly need to increase conversion. Other strategies that we would like to use are:

- Pre-launch event with food & drinks- speakers would include top executives from partner firms. Guests would include prospective firms, CDOs, and students.
- Collect email addresses and add them to our pipeline for direct mailers.
- Design a Website to be our online hub - contact, queries, information about Naukri Academy and its offerings.
- Sponsorship stalls at college events
- Collaborations with Career Development Offices in target universities guest talks by founders/ faculty hosted by relevant departments.
- Appearance in job fairs, guest talks by founders/ faculty hosted by relevant departments.
- Consolidate our Social Media Accounts, Invest in Consistent, Meaningful Social Media Ads.
- Online Reviews & Mentions - LinkedIn, Instagram stories, Twitter, etc.
- Maintain a blog and continue to produce valuable and engaging content
- Build a strong Alumni Network- keep engaging on social media

Go-to Market Plan with Dates

Pre-launch: January-March 2022

- Before launching the product, we build suspense so that the target audience begins to draw in.
- We will use Naukri's reputed brand name to announce the upcoming launch of a new student-centric product
- We will highlight brand philosophies, tease the problem that we are aiming to solve, and begin to introduce visual collaterals
- Introduction would include our mission, vision, thought process behind the brand etc. This step helps us create brand positioning and gain consumers' trust at the first level.
- This soft launch phase can be disseminated using email marketing, social media, flyers and brochures etc.
- This will also push us to prepare for the product's immediate launch

<u>Launch: April 2022</u>

- On 1st April, the beginning of the financial year and approximately one month before college graduations, we will launch our product
- This will be carried out over the course of the month
- One main launch event will be hosted independently by Naukri - inviting esteemed speakers from partner firms, high position college faculty, university board members, and other such educational and professional power holders
- As part of our launch, we will begin college visits and sponsorship stalls at college events
- Event marketing will be promoted and accompanied by digital marketing

<u>Post- launch (Engagement): May 2022 onwards</u>

- To keep increasing our customer base and popularity, we will employ marketing strategies that will continually evolve according to marketing trends
- Marketing campaigns will be charted out according to strategic timings to produce optimum engagement
- We will be able to make this brand scale to the next level if we are able to gain the trust of our student audiences. Reinforcing our brand will build customer loyalty, and this will happen faster for us due to Naukri's existing brand reputation
- New customers will be gained through different marketing techniques catered specifically to our demographic audience. By repeatedly studying their behaviors, we will be able to tap into their latent needs which will likely keep changing over time

VII. Financials

Please also refer to the Excel sheet attached with the email/exhibit 5 as it contains detailed information.

Spreadsheet Link: https://docs.google.com/spreadsheets/d/1UpkuHkIXU-suSmTjoK1vDbo6nnB4xkFnrvz8r7QzaNY/edit?usp=sharing

Key Financials
- **Initial Investment:** INR 304,543,600 ~ 30.45 crores
- **Net Present Value** of enterprise according to DCF: INR 273.96 crores (at 12% WACC)
- **IRR** of the Project: 165%
- **Payback Period**: 1-2 years
- Please find the profit and loss statements for the first 5 years in exhibit 5 and our google sheets document attached.

Fund-Raising Plan

Quantum of funds initially required: approximately 50% of we have estimated our initial investment to be. Therefore, somewhere around INR 15.2 crores needs to be raised initially.

Choice of Debt/Equity and Target Investors: InfoEdge's Debt/Equity ratio is nearly zero and it is a debt free company. Following the same trend, we would raise money through equity and aim to reach out to the following investors from whom InfoEdge has already raised a lot of funds in the past.
1) **Lightbox Ventures**: A VC firm based out of mumbai
2) **Temasek**: It is a global investment company headquartered in Singapore

Pitch

- **Target Customers:** Our universe of customers consists of university students and job seekers looking to grow in their careers and upskill themselves. However, as discussed in the segmentation part, the initial group we would target is "students from tier 2 government institutes offering commerce/arts degrees (lower ranked colleges in Delhi University, Indraprastha University etc.) and private universities, who currently reside in Delhi NCR and major metropolitan cities, who are recent graduates or pursuing undergraduate studies, age 18-25"
- **What problem are we trying to solve?** There is a huge skill gap in India and less than 50% of college students are employable. Moreover, a lot of students struggle to find internships/jobs during or after graduation. Furthermore, there is a lack of quality career development platforms that provide all career services, access to industry experts, and career guidance in India. Our aim is to give students a platform to bridge the gap between their current skills and future aspirations.
- **Best way to solve it vs competition**: While there are a plethora of ed-tech companies providing online courses, none of them expose their students to work/projects in a real company to enable experiential learning. We would tap onto this and also provide various other benefits. For one, the experience is in person, and therefore there would be much more to learn through interactive learning. Secondly, it also becomes easier for students to network with fellow students in an offline setting. Thirdly, we will also establish "Naukri Counsel", a place where candidates can get

personalized mentoring, career coaching, resume review, interview prep etc. We will become an all in one platform giving students everything they need to grow in their career.

- **Revenue Model: The 2 main sources of revenue initially for Naukri Academy will be**
  1) Naukri Career Prep Fellowships: Priced at INR 48,500 for 3 months and is offered at our affiliate centers
  2) Workshops conducted at various universities throughout the year
- **Risks**: hesitancy due to Covid-19 for the first 4-6 months, presence of large number of online players - we would need to make sure we offer something unique
- **Scalability**: This model is quite scalable and we can expand to a number of cities after Delhi NCR like Pune, Mumbai, Hyderabad, Bangalore, Chennai. While we scale up, another thing that happens is that our revenue increases more than our costs (primarily because most of our faculty can teach at multiple centers). Salary is one of the major expenses so scaling up would mean that our profit margins keep increasing along the way.

Attractiveness to Investing Company:

- Our projections below show that our top line touches INR 163.8 crores by year 5 and we have positive cash flows from the very first year.
- The NPV of our project at 12% WACC is significantly higher than zero (it is INR 273.96 crores) and the IRR>WACC, making our investment profitable.
- The payback period is less than 2 years
- Our market share estimates below show that the serviceable obtainable market for Naukri Academy is over INR 1,000 crores.
- **Expansion Avenues**: We can add other streams of revenue as we go forward. For instance, we could partner with companies and offer training services to their new employees. Most companies have to spend significant resources to keep their employees upskilled.

5 Year Projections

Financials (in INR)	Year 1	Year 2	Year 3	Year 4	Year 5
Total Revenue	158,000,000	469,800,000	781,600,000	1,171,000,000	1,638,000,000
Total Cost	77,436,400	225,301,600	373,091,600	557,889,200	780,396,800
EBIT	80,563,600	244,498,400	408,508,400	613,110,800	857,603,200
Tax	20,140,900	61,124,600	102,127,100	153,277,700	214,400,800
Net Profit	60,422,700	183,373,800	306,381,300	459,833,100	643,202,400
	2021	**2022**	**2023**	**2024**	**2025**
Net Profit (in Crores)	₹6.04	₹18.34	₹30.64	₹45.98	₹64.32

Market Size and Volume

Total Available Market: There are 3.5 crore higher education students in India. With a retail price of INR 48,500, the total available market becomes INR 1,69,750 crores.

Serviceable Available Market: Here, we segmented the market based on various filters:

Geographic Segmentation: We reasonably assume that 30% of above students belong to the kind of metropolitan cities we want to target

University Segmentation: We further assume that 50% of the above students belong to the kind of tier 2 public/private universities we want to target

Demographic Segmentation: We assume 90% of these students belong to the age category we want to target (since majority students in undergrad institutes fall in the age 18-25)

Serviceable Obtainable Market: We assume that we would be able to capture 5% of the total market share. Given that almost 90% students were interested in our program in the survey, we obtained a serviceable obtainable market of INR 1031 crores. The calculations are shown below.

Market Share Calculations		
Market Sizing	**In INR Crores**	**Assumptions**
Total Available Market	169750	No of university students in India according to a WB 2019 report = 3.5 crore Retail price of our course offering = INR 48,500 Therefore, total available market is 3.5 crore*48,500
Geographic segmentation	0.3	We reasonably assume that 30% of these students belong to the cities we want to target
University segmentation	0.5	We further assume that 50% of the above students belong to the tier 2 public/private universities we want to target
Demographic Segmentation	0.9	We assume that 90% of the students belong to the age category we want to target
Serviceable Available Market	22916	This is total available market segmented according to the specific niche we want to target
Serviceable Obtainable Market	1,031	From our surveys, we found 90% students would be interested in our fellowship program We finally assume we would be able to capture 5% of the total obtainable market

References used in market sizing: https://wap.business-standard.com/article-amp/education/india-s-gross-enrolment-in-higher-education-rose-marginally-in-2019-20-121061001249_1.html
https://indiaeducationforum.org/pdf/ISR-2021.pdf

Works Cited

India Skills Report (2021), https://indiaeducationforum.org/pdf/ISR-2021.pdf. Accessed 16 November 2021.

Umarji, Vinay (2021). *India's gross enrolment in higher education rose marginally in 2019-20,* https://wap.business-standard.com/article-amp/education/india-s-gross-enrolment-in-higher-education-rose-marginally-in-2019-20-121061001249_1.html. Accessed 18 November 2021.

Exhibit 1: Market Research and Customer Surveys

To get a better understanding of our target consumers (their pain points, aspirations etc.), we circulated a survey and were able to get 60+ responses for that. The finds are shown below.

Google form link:
https://docs.google.com/forms/d/e/1FAIpQLSdolipkQBRvQlZUBItIpX9vOnBvOjSeSbg4qyXDg_bPbHuRCA/viewform

Do you think youth employability is a major concern in India that limits opportunities after college (due to lack of skill and experience) and it should be addressed?
57 responses

- Yes, certainly
- Yes, to some extent
- No

77.2%
22.8%
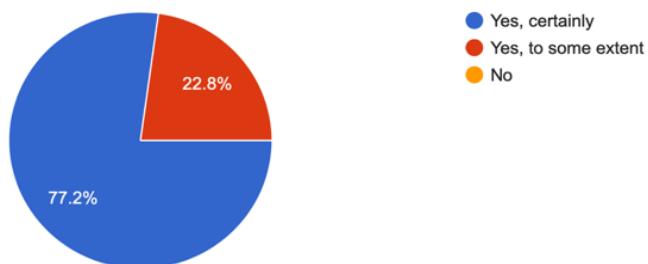
Would you be interested in an 8-10 week experiential learning program that covers core employability, digital and entrepreneurial skills to...dustry project/internship in a company for a month?
57 responses

- Certainly yes
- Maybe
- No

71.9%
24.6%
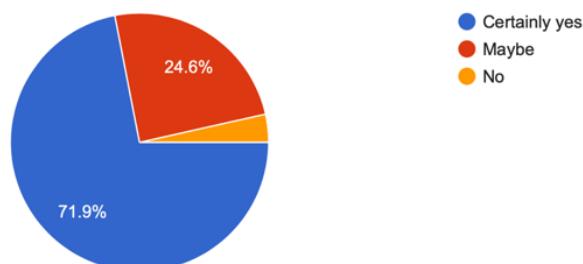
If you are a student aspiring to work after college, have you ever felt challenged in finding a job/internship or credible resources to prepare for one?

56 responses

- Yes, it's a big problem
- Sometimes, yes
- No, never

33.9%

60.7%
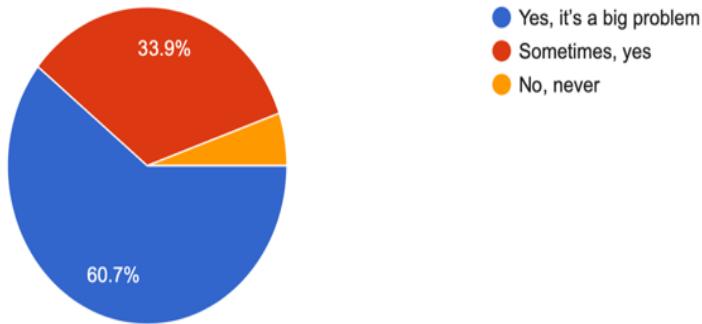
If you answered yes to the above question, why do you think it's worth your time to attend such a program?

51 responses

- College does not do a good job to make you 100% work ready
- You want to bolster your resume because It's hard to find work, as recruiters always look for experienced…
- It is something unique and it sounds interesting
- I want both genuine experience and an opportunity to learn and realise myself if the field I want to enter is genuinely fo…

33.3%

13.7%

51%
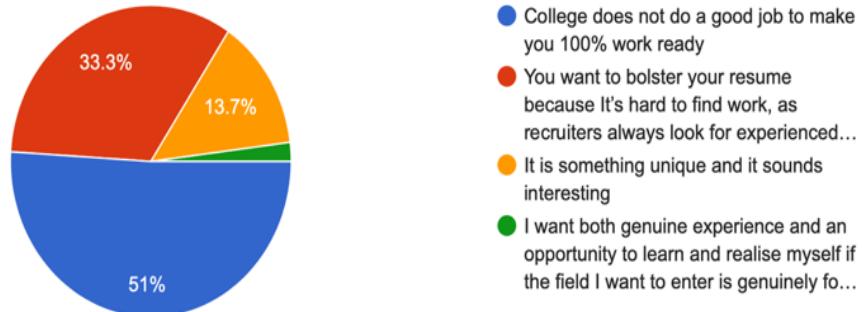
Market Insights

General Concerns

· Youth employability limits professional opportunities after college
· Students face difficulty to find internships/jobs or credible resources to prepare for one
· College education is theoretical and focuses less on experiential learning

Consumer Pain Points

· They want to bolster their resume because employers these days look for experienced candidates. Lack of skills/experience limits their options
· They feel restricted, stressed and confused after not getting enough opportunities
· They hear negative feedback about such programs and inquire about the credibility, price and content of our product

Value to customer

· Provide a platform that gives candidates both: "skills" and "experience" at one place, adds value to their resume and makes them employable. Via Naukri, the "work experience" becomes legitimate and recognized by partner companies, since many graduates struggle with that section of their resume.
· The training is combined with hands-on experiential projects/internships with real companies that give trainees an insight into what is expected of them as an employee.
· The unique, in-person coaching and project experience differentiates Naukri Academy from the plethora of online courses by providing immersion rather than simulation or theory.

Exhibit 2: Competitors

1) **IMS Proschool** https://www.proschoolonline.com - It offers financial modelling and valuation certifications in collaboration with NSE Academy.
2) **Imarticus Learning** https://imarticus.org - It offers training and skill development programs across financial services, AI, analytics and business intelligence to individuals, companies and academic institutions.
3) **EduPristine** https://www.edupristine.com/courses/financial-modeling-course/delhi - Training provider in Delhi NCR for finance related courses.
4) **Future learn** https://www.futurelearn.com/subjects/business-and-management-courses - Online upskilling platform offering skills of the future.
5) **Great learning** https://www.greatlearning.in - Online upskilling platform offering in demand courses.
6) **UpGrad** https://www.upgrad.com - Offers online higher education degrees.

Exhibit 3: Locations

In our first phase, we would be located across Delhi NCR and our centers would initially be in Lajpat Nagar, Civil Lines, Defence Colony, Preet Vihar and New Friends Colony. Later, we would expand to major metropolitan cities like Mumbai, Bangalore, Pune, Hyderabad. Our centers would have 4 spacious lecture halls, 2 counselling rooms and a reception area. The center will promote an atmosphere of growth and development and will have ample sunlight, well equipped classrooms and a modern décor.

Exhibit 4: Prototypes
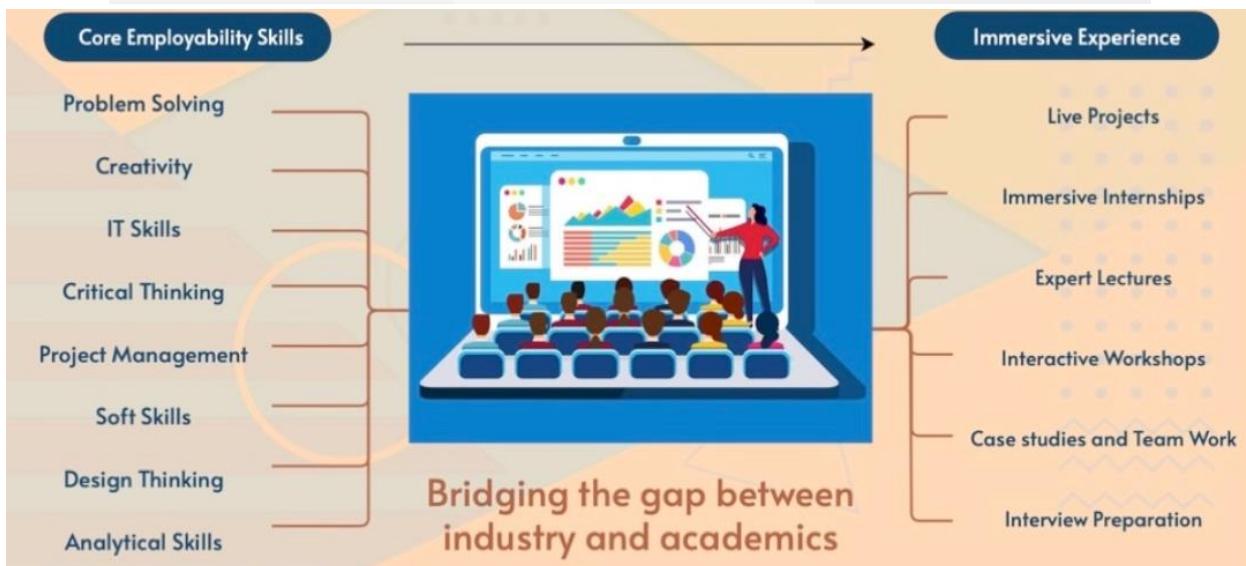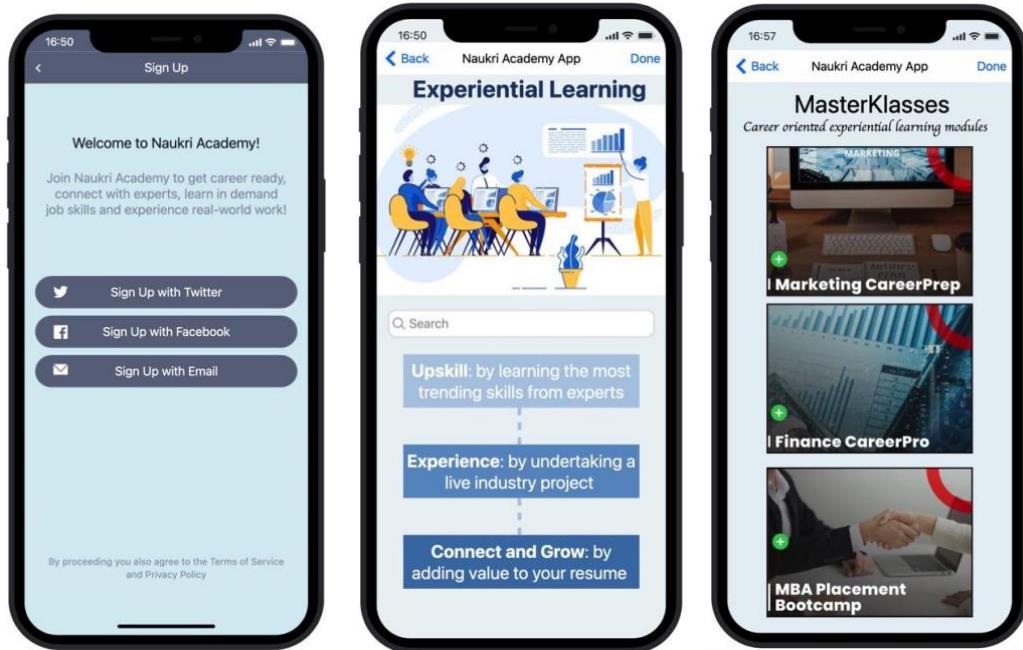
LEARNING AT NAUKRI ACADEMY CAREER PREP PROGRAM

naukri.com
India's No1 Job Site

Career Prep Journey

Upskill and Grow

Employability Skills

Interactive Workshops

Expert Lectures

Guided Projects

Personality Development

Industry Exposure and Case Studies

Fun Learning Activities
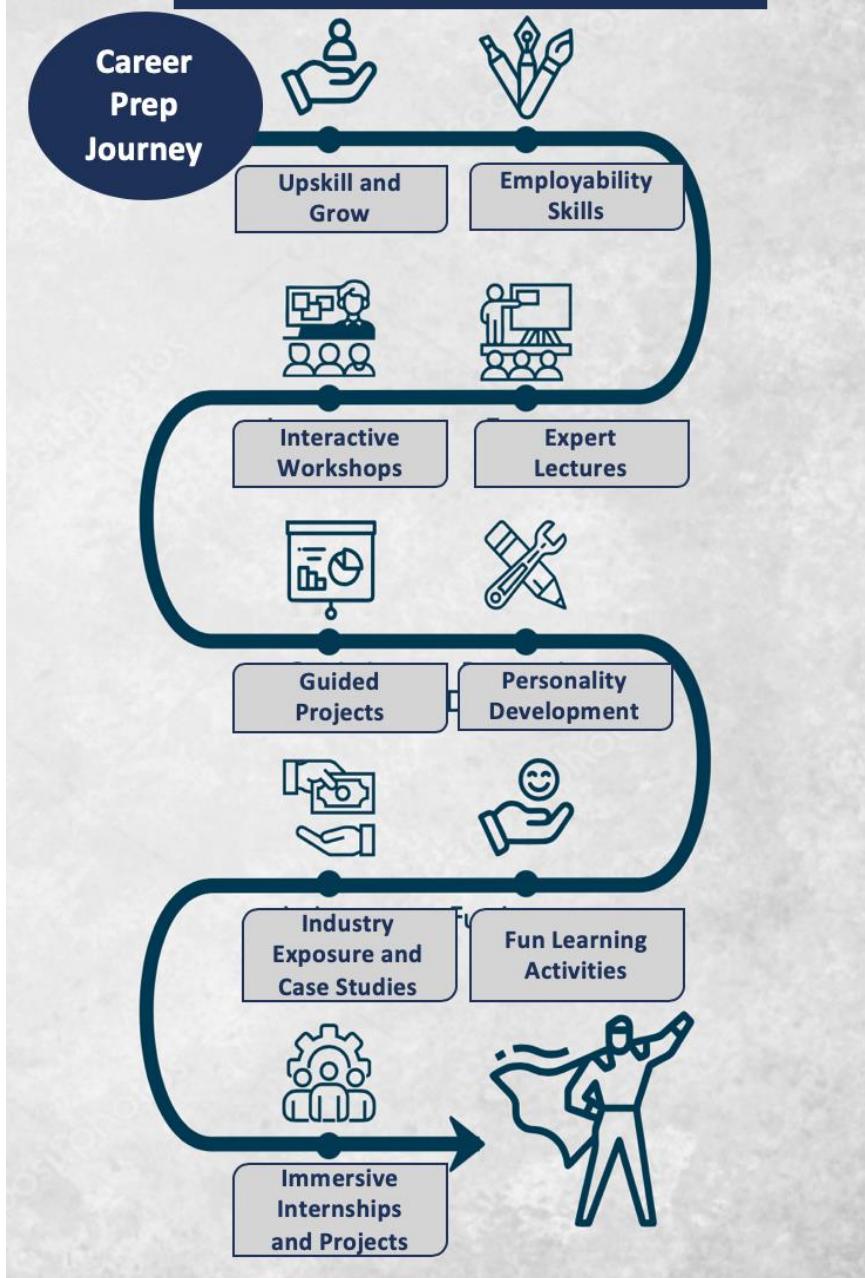
Immersive Internships and Projects

Fixed Costs

Fixed Cost	Price per Item	Quantity per Academy	Year 1 Costs	Year 2 Costs	Year 3 Costs	Year 4 Costs	Year 5 Costs
Study Chairs (via India Mart)	450	200	360,000	720,000	720,000	900,000	1,080,000
Whiteboards (via India Mart)	7,200	4	115,200	230,400	230,400	288,000	345,600
Projectors (via Amazon)	7,500	4	120,000	240,000	240,000	300,000	360,000
Website (via GoDaddy) and IT Expenditure	20,000	-	20,000				
Total			**615,200**	**1,190,400**	**1,190,400**	**1,488,000**	**1,785,600**
Total Fixed Costs	6,269,600						

Profit and Loss Statements (for first 5 years)

Naukri Academy Profit and Loss Statement Year 1	
Income	
Career Prep Fellowships	155,200,000
Workshops	2,800,000
Total	158,000,000
Expenses	
Rent	12,000,000
Salaries	61,440,000
Utilities	480,000
Website Development	20,000
Website Maintenance	1,200
Furniture	360,000
Electronics	120,000
Office	115,200
Workshops	400,000

Marketing and Advertising	2,000,000
Total	76,936,400
Operating Profit	81,063,600
Taxes	20,265,900
Net Income	60,797,700
Cash Flow	60,797,700

Revenue Estimation (Year 1)	
No of Academies	4
Duration of a Career Prep Fellowship	3 months
Yearly no of Fellowships per academy	4
Total fellowships across academies	16
No of students in one fellowship batch	200
Price of 3 month fellowship	48500
Year 1 revenue from fellowships	155,200,000
No of workshops conducted on university campuses	8
One time price charged to universities	350000
Year 1 revenue from workshops	2800000
Total Year 1 Revenue	**158,000,000**

Naukri Academy Profit and Loss Statement Year 2	
Income	
Career Prep Fellowships	465,600,000
Workshops	4,200,000
Total	469,800,000

Expenses	
Rent	36,000,000
Salaries	184,320,000
Utilities	1,440,000
Website Maintenance	1,200
Furniture	720,000
Electronics	240,000
Office	230,400
Workshops	600,000
Marketing and Advertising	1,750,000
Total	225,301,600
Operating Profit	244,498,400
Taxes	61,124,600
Net Income	183,373,800
Cash Flow	183,373,800

Revenue Estimation (Year 2)	
No of Academies	12
Duration of a Career Prep Fellowship	3 months
Yearly no of Fellowships per academy	4
Total fellowships across academies	48
No of students in one fellowship batch	200
Price of 3 month fellowship	48500
Year 2 revenue from fellowships	465,600,000
No of workshops conducted on university campuses	12

One time price charged to universities	350000
Year 2 revenue from workshops	4200000
Total Year 2 Revenue	**469,800,000**

Naukri Academy Profit and Loss Statement Year 3	
Income	
Career Prep Fellowships	776,000,000
Workshops	5,600,000
Total	781,600,000
Expenses	
Rent	60,000,000
Salaries	307,200,000
Utilities	2,400,000
Website Maintenance	1,200
Furniture	720,000
Electronics	240,000
Office	230,400
Workshops	800,000
Marketing and Advertising	1,500,000
Total	373,091,600
Operating Profit	408,508,400
Taxes	102,127,100
Net Income	306,381,300
Cash Flow	306,381,300

Revenue Estimation (Year 3)	
No of Academies	20
Duration of a Career Prep Fellowship	3 months
Yearly no of Fellowships per academy	4
Total fellowships across academies	80
No of students in one fellowship batch	200
Price of 3 month fellowship	48500
Year 3 revenue from fellowships	776,000,000
No of workshops conducted on university campuses	16
One time price charged to universities	350000
Year 3 revenue from workshops	5600000
Total Year 3 Revenue	**781,600,000**

Naukri Academy Profit and Loss Statement Year 4	
Income	
Career Prep Fellowships	1,164,000,000
Workshops	7,000,000
Total	1,171,000,000
Expenses	
Rent	90,000,000
Salaries	460,800,000
Utilities	3,600,000
Website Maintenance	1,200

Furniture	900,000
Electronics	300,000
Office	288,000
Workshops	500,000
Marketing and Advertising	1,500,000
Total	557,889,200
Operating Profit	613,110,800
Taxes	153,277,700
Net Income	459,833,100
Cash Flow	459,833,100

Revenue Estimation (Year 4)	
No of Academies	30
Duration of a Career Prep Fellowship	3 months
Yearly no of Fellowships per academy	4
Total fellowships across academies	120
No of students in one fellowship batch	200
Price of 3 month fellowship	48500
Year 4 revenue from fellowships	1,164,000,000
No of workshops conducted on university campuses	20
One time price charged to universities	350000
Year 4 revenue from workshops	7000000
Total Year 4 Revenue	**1,171,000,000**

Naukri Academy Profit and Loss Statement Year 5	

Income	
Career Prep Fellowships	1,629,600,000
Workshops	8,400,000
Total	1,638,000,000
Expenses	
Rent	126,000,000
Salaries	645,120,000
Utilities	5,040,000
Website Maintenance	1,200
Furniture	1,080,000
Electronics	360,000
Office	345,600
Workshops	1,200,000
Marketing and Advertising	1,250,000
Total	780,396,800
Operating Profit	857,603,200
Taxes	214,400,800
Net Income	643,202,400
Cash Flow	643,202,400

Revenue Estimation (Year 5)	
No of Academies	42
Duration of a Career Prep Fellowship	3 months
Yearly no of Fellowships per academy	4
Total fellowships across academies	168
No of students in one fellowship batch	200
Price of 3 month fellowship	48500
Year 5 revenue from fellowships	1,629,600,000

No of workshops conducted on university campuses	24
One time price charged to universities	350000
Year 5 revenue from workshops	8400000
Total Year 5 Revenue	**1,638,000,000**

DCF Valuation

Naukri Academy DCF Valuation						
	Year 0	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Forecasted Revenues	-304,043,600	158,000,000	469,800,000	781,600,000	1,171,000,000	1,638,000,000
Forecasted Expenses		76,936,400	225,301,600	373,091,600	557,889,200	780,396,800
EBIT	-304,043,600	234,936,400	695,101,600	1,154,691,600	1,728,889,200	2,418,396,800
EBIT*(1-Tax Rate)	-228,032,700	176,202,300	521,326,200	866,018,700	1,296,666,900	1,813,797,600
Add Depreciation		71,520	214,560	357,600	536,400	750,960
Free Cash Flows	-228,032,700	176,273,820	521,540,760	866,376,300	1,297,203,300	1,814,548,560

Initial Investment	**304,043,600**
WACC	**12%**
Growth Rate	**5%**
NPV	**2,739,802,110**
IRR	**165%**