

THE TIMES OF INDIA

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Pearson buys 76% in TutorVista

To Pay ₹755 Cr For Stake In Tutorial Firm

TIMES NEWS NETWORK

Bangalore: TutorVista, the online tutorial company set up by K Ganesh and Meena Ganesh, has sold a controlling 76% stake to book publisher Pearson.

On Tuesday, TutorVista said Pearson would pay Rs 577 crore to raise its stake from the 17.2% that it already had in the company. That stake was acquired in June 2009.

The price values TutorVista, a firm that Ganesh started in 2005 with \$2.15 million from Sequoia Capital, at about Rs 1,000 crore. This is perhaps the biggest single deal in the education space.

The company has 800 employees and a roster of 2,000 tutors. It operates in four areas providing coaching assistance to 10,000 students every month across a network of 60 centres in South India. The different streams of operation include digital learning content, brick-n-mortar tutorial centres and formal schools. The focus was on providing quality education to students in the US and UK through voice-over-internet-protocol (VoIP). TutorVista would hire teachers in India to teach students in these locations.

The acquisition will bolster Pearson's tutoring business as TutorVista provides English language coaching courses for university entrance exams and out-of-class tuition to K-12 school



Pearson India chairman John Makinson (left), shares a light moment with Krishnan Ganesh, founder & CEO of TutorVista and Meena Ganesh at a press conference in New Delhi on Tuesday

children for SAT (scholastic aptitude/assessment test), ACT (American College Testing), AP and other exams. It also provides a full suite of services to K-12 schools and uses VoIP to connect instructors in India with school and college students in North America. It also reaches 3,300 classrooms by supplying digital content and technology platforms to private and government schools in India.

Ganesh said he had started TutorVista to provide affordable education services and content globally. "Together with Pearson, we can make this happen even faster and help millions of students achieve their educational goals," he said.

The Indian government

currently invests \$40 billion each year or 3% of GDP in education, while consumers spend more than \$40 billion on private educational institutions and services. The US market accounts for 65% of Pearson's revenues from education.

Ganesh is said to have first thought of the idea of online tutoring when he found parents in the US and UK criticize the education their children were receiving. Ganesh had earlier founded a company called IT&T, which specialized in integrating and maintaining computer systems, and later, with Meena, founded one of India's first BPOs, CustomerAsset, which they later sold to ICICI and which today calls itself FirstSource.

'Handling remote students was challenging initially'

Mini Joseph Tejaswi | TNN

Bangalore: They are truly an "enterprising couple". The husband-wife entrepreneur duo, **K Ganesh and Meena Ganesh**, have struck gold again, with their sale of TutorVista to the Pearson Group. Ganesh had started the online tutoring firm in July 2005 with a \$2.15 million fund from Sequoia Capital. Now the firm has been valued at close to Rs 1,000 crore. In 1990, Ganesh set up his first venture, IT&T, with five partners from HCL, where he previously worked. That company specialized in maintaining and integrating computer systems. It went public in 2000 and parts of it were then sold to iGate. In 2000, Ganesh and Meena floated BPO firm CustomerAsset, one of India's first BPOs. Two years later it was sold to ICICI for around \$20 million. That company is today what we know as FirstSource. Ganesh has worked with HCL, Wipro British Telecom, a VSAT company that became Bharti British Telecom. Meena has worked with NIIT and Microsoft, and as CEO of Tesco India. Ganesh spoke to TOI after the Pearson deal.

Now that your company has a single majority owner, will you exit this business soon?

This is only the end of our first innings. It is just the halfway point and we are resetting the clock at this point to take TutorVista to a \$1 billion company, from \$213 million now, in the next five years. We still own 20% in the company. Pearson will have 76%. Our exit will happen after we reach the \$1 billion milestone.

What was the level of business clarity you had when you floated TutorVista in 2005?

Five years ago, it was only a paper plan. We were getting into a business which had no parallel or existing model. So the risk was high. Level of clarity was quite low. We were pragmatic. We took an incubation facility at IIT-B at Electronics City in Bangalore because we were not sure of paying up the 10-month rental advance etc. Neither did we want to make investments in furniture and fixtures.

What were the challenges you faced?

The biggest hurdle was related to handling 'remote' issues. Remote students, remote market, handling remote tutors between remote locations, and the general remote nature of the business. But in the first 18 to 24 months, we could see the model working. We hit our first million dollars in 2007. We saw us actually becoming the biggest B2C Indian company in the education space serving the US market, without even employing a single person in the customer market.

How happy are your investors now?

In December 2006, we got another \$3 million from Sequoia; Lightspeed Venture Partners gave us \$7 million while another \$750,000 came from Silicon Valley Bank. Since then, our valuation, branding and reach have gone up significantly and all our investors including Manipal Education are happy. Now Pearson is going to give us further branding, positioning, resources and a global platform.



DECCAN HERALD

Pearson picks majority stake in TutorVista

MUMBAI: British media group Pearson Plc is acquiring majority stake in Bangalore-based education services firm TutorVista Global Pvt Ltd by shelling out \$127 million for 59 per cent equity stake.

With this deal, Pearson enhances its equity in TutorVista to 76 per cent, while it had picked up around 17 per cent stake in TutorVista in June 2009.

Total investment

In all, it has invested a total of around \$139 million in the 6-year-old online tutoring firm, which is currently valued at about Rs 1,000 crore (\$215.24 million).

The company, founded by serial entrepreneur K Ganesh, had attracted interest from a host of private equity majors in round where it was expected to raise \$50 million. TutorVista had already raised \$38 million

in its round of venture funding from investors like Sequoia Capital India and Lightspeed venture partners. Later, it also managed to attract strategic investors like Manipal Education and Medical Group (MEMG) besides Pearson. These investors hold 55 per cent stake in TutorVista while Ganesh and his management with stock options hold the rest.

Founded in 2005, TutorVista has gradually expanded its presence across the value chain. It provides digital content and technology platforms to private and government schools under long term contracts currently serving 3,300 classrooms.

Its online tutoring business reaches 10,000 students per month. TutorVista also has test preparation and tuition business, where it operates a network of 60 centres, the company said.

DH News Service

'TutorVista buy will bring us close to consumers in India'

EDUCATION and learning company Pearson is looking at more than one ways to expand its wings in the Indian market. While on one hand, it has formed a joint venture with Educomp to provide vocational education services, it has also acquired TutorVista, a Bangalore-based education company that offers online tutoring, test prep and other services. But John Makinson, chairman of Pearson India says that company's growth strategy in the education sector in India involves more than just acquisitions. Excerpts from an interview with ET's Sruthijith KK & Mahima Puri:



Education sector is very exciting in India and as the world's largest education company, this gives us a lot of opportunities to explore

JOHN MAKINSON
CHAIRMAN, PEARSON INDIA

How will the latest acquisition of TutorVista help Pearson in the Indian market?

This acquisition can be seen as the company's commitment to education and skills development in India. The investment in TutorVista gives us control of the world's largest online tutoring business and, crucially, a platform on which to build a leading presence in the Indian private schools sector. It has given us the scale and the growth opportunity that we were looking for. It will also bring us close to consumers in India.

What makes you so bullish on the education business in India?

There isn't any other market for education like India in the world, not even China. Education sector is very exciting in India and as

the world's largest education company, this gives us a lot of opportunities to explore.

Which are the other emerging market that Pearson is looking at aggressively?

Brazil and China would be two such markets

that are relevant from education perspective.

How does organic expansion stack with acquisitions as a strategy for growth in India?

There are a lot of organic growth opportunities, like increasing digital content development, creating educational products, providing online platforms for colleges, testing and assessment services and vocational training.

What is it that you find lacking in India's education market?

If we look at the formal education in India, there isn't an awful lot lacking. But there is lack of investment in technology in education in India, even in the private universities.

As a business, what is the single largest challenge for you in India?

I think the challenge is to come to grips with the scale and economics of the market. It is about providing quality education at affordable prices to a large number of people. We are willing to serve not only those at the bottom of the pyramid, but also consumers in metros, tier I and tier II cities.

Also, it would be helpful to tear apart the principle of whether education space is an activity legitimate for commercial organisations to make a profit. That is one change that India can probably bring in.

Board to have 3 directors from Pearson

► From Page 1

GANESH and co-founder Meena Ganesh will retain two seats on the TutorVista board that will include three directors from Pearson. Set up in 2005, TutorVista provides online tutoring services to about 10,000 students each month. It uses Voice-Over-Internet-Protocol and online whiteboards to connect instructors in India with school and college students, mostly in North America.

Also, in tandem with the Manipal Group, the company provides curriculum design, teacher training, technology solutions and school administration services to 11 schools across India. "While the Manipal Group has exited from the company, we can continue to use the brand name in our K12 school services for five years," Ganesh said. The Indian firm will now retail the broad range of Pearson products across the country. "This acquisition, which we believe is the largest transaction in education in India by any company, signals our excitement about the vitality of India's education sector," said Marjorie Scardino, Pearson's chief executive.

Pearson expects the acquisition to enhance its earnings per share and return on invested

capital in 2012. For TutorVista, the deal is being seen as a windfall by analysts who reckon the company had revenue of around Rs 50 crore with the real value coming from its online tutoring model that is a unique concept pioneered by TutorVista.

"Pearson India is strong in higher education but needs to develop its presence in the K12 market. With Educomp, Everonn and others having clear lead in terms of presence inside K12 classrooms in Indian schools, Pearson and TutorVista have capabilities complementing each other to target this market," says Bharat Parmar, partner at Eduvisors, an education research and consulting services firm. A seasoned entrepreneur, Ganesh who put in a stint as chief executive of Wipro British Telecom, launched his first start-up a BPO operation with CustomerAsset that he later sold to ICICI OneSource.

"I have monetised only a portion of my holding in the company and remain committed to growing the company into a \$1 billion firm in the next five years," says Ganesh. Industry experts say this transaction is sending a signal that global players will look for more acquisition and investment targets in the Indian education sec-

tor. "They will look for abilities to manoeuvre through the government corridors to participate in large government bids, mastered by companies such as Educomp and Everonn. Large global players do not have the time to wait for another 3-4 years before they're eligible, so they will look at targets which have developed these capabilities," says Parmar of Eduvisors. In mid-2009, Pearson established a joint venture with Educomp, India's leading publicly-traded learning company, to develop vocational and professional services for the Indian market. The TutorVista acquisition follows recent investments in China, Brazil, southern Africa and Nigeria. "The investment in TutorVista gives us control of the world's largest online tutoring business," said John Makinson, chairman of Pearson India.

For private equity players such as Sequoia, this exit marks the start of what is expected to be a landmark year for such cash-outs. "We had a very good 2010 with close to 7-8 nice liquidity events, and feel the coming year will be even better," says Balaraj. "While we are interested in education deals, we worry about real estate dependence, management scalability and government regulation going forward," he added.

Pearson gets TutorVista control

Raises Its Holding To 76% For ₹577 Cr; Company Valued At ₹960 Cr

Our Bureau
BANGALORE

PEARSON, one of UK's biggest publishers, on Tuesday took complete control of the Bangalore-based online education firm, TutorVista, paying ₹577 crore to increase its holding to 76%.

The deal, one of the biggest in the education space values the five-year-old company at ₹960 crore and gives private equity firm Sequoia a more than seven times return on its original investment.

In 2009, Pearson had bought 16% in the company for ₹54 crore.

The deal also provides complete exits to the other equity investors in the firm apart from Sequoia, firms such as Lightspeed Ventures, Silicon Valley Bank and education major Manipal Group who together contributed to the total funding of \$33 million raised by the firm over the last five years. "At close to 7x returns, this would rate as one of the very best seed investments in India," said KP Balaraj, managing director, Sequoia

Capital India which put over \$10 million in the firm. Pearson will, over the coming month, acquire an additional 4% of the equity by buying out shares of minority shareholders, according to Krishnan Ganesh, founder TutorVista. "Pearson will ultimately own 80% of the company that will function as an independent entity with the balance 20% owned by promoters and the management team," he added.

► 3 Pearson members on board: P 8

Pearson takes control of TutorVista for ₹577 crore

UK firm raises its stake to 76% from earlier 17%; promoter K Ganesh retains 20% and management role; buyout values firm at ₹960 crore

Sreejraj Euvangal NEW DELHI

It's been just five years since K Ganesh, one of the pioneers of the Indian BPO industry, founded TutorVista.com — aimed at remotely tutoring American kids who could otherwise not afford private tuitions.

Five years and 2,000 teachers later, Ganesh has handed control of his firm to the world's largest educational materials provider — the UK-based Pearson Group — for a whopping ₹577 crore.

The deal is not only the biggest in India's education sector, but also one of the largest ever in its fledgling dotcom industry and values the firm at ₹960 crore. TutorVista has also become perhaps the most valuable Indian consumer brand in the US, built from

scratch.

Ganesh and his wife Meena, who sold around half of their 40% stake in the firm to Pearson, have added a cool ₹192 crore to their bank balance, even as they retain a 20% stake in the firm and stay on in their management role. Other investors such as Manipal University and the US venture firms Lightspeed and Sequoia Capital — famous for funding all of Google, Yahoo and Apple — sold all their shares.

Education was long considered a barren land for entrepreneurship due to laws which ban for-profit organisations from owning schools. "I hope this sets an example for entrepreneurs to start greenfield operations in education sector and provide employment to others," Ganesh, a pas-



K Ganesh

sionate supporter of entrepreneurship, said after the announcement.

"I started this venture with three teachers in a room five years ago," he reminisced. "Today with 2,000 tutors, we are the largest employer of teachers in India and we

teach 30,000 students," he said. To encourage others to become entrepreneurs, Ganesh and others set up the India chapter of The Indus Entrepreneurs or TiE, one of the world's leading organisations for promoting start-ups.

TutorVista is one of the hundreds of firms that tried to take advantage of cheap connectivity between India and the US by getting teachers to instruct students through the Internet. Instead of paying \$20 or \$50 per hour for a real tutor, students could subscribe to TutorVista and have unlimited tuitions for \$100 per month. In addition, it supplies content to around 3000 schools and runs another 19 in India.

Ganesh, an alumnus of IIM-Calcutta who built up one of India's earliest successful customer

care operation and later sold it to ICICI Bank, said he is planning on sticking around with the firm for a while. "My passion is still for education. We went for this deal because we needed a partner like Pearson through whom we could sell, instead of relying only on direct (customer) acquisitions," he said, adding that he wants the valuation of the firm to increase five-fold in another 3-4 years.

Pearson is one of the world's largest educational content suppliers and had acquired a 17% in TutorVista two years ago. With Tuesday's deal, Pearson has bought 55% from other institutional investors and a 20% chunk from Ganesh and Meena. The firm distributes content to a large section of schools and universities in the US and UK and is ex-

pected to sell TutorVista services to its client schools. John Makinson, chairman of the Pearson Group which owns the Financial Times and Penguin Books, said the acquisition is part of the group's shift in focus towards the three emerging markets of Brazil, China and India. He said his numbers from India have been "less mouth-watering" than those from China and Brazil, but the education business was still growing at a relatively fast pace.

He said he hoped that state governments would liberalise the higher education sector in India and that the group felt that the Centre's policies for higher education were "quite sensible." "We are sitting here only because of the open door policy of the government of India," he said.

THE FINANCIAL EXPRESS

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Pearson buys 76% in TutorVista for Rs 577 cr

Pearson, the British media and publishing company, on Tuesday said that it has acquired a controlling stake of 76% in online tutoring company TutorVista for Rs 577 crore. Earlier in 2009, Pearson acquired a minority stake in TutorVista for about Rs 54 crore and with the current infusion, Pearson takes its total equity investment in the company to Rs 631 crore. Bangalore-based TutorVista was founded in 2005 by serial entrepreneur Krishnan Ganesh.



Pearson buys 59% more in TutorVista for Rs 577 cr

BS Reporter | Bangalore January 16, 2011, 13:43 IST

Pearson, a global publishing major, on Tuesday announced that it has acquired majority control of 76 per cent in Bangalore-based education company TutorVista, for a consideration of Rs 577 crore. TutorVista was founded in 2005 by Krishnan Ganesh, a noted serial entrepreneur. The company has more than 800 employees and a roster of 2000 tutors. Pearson during 2009 had acquired a minority stake for around Rs 54 crore and with this fresh infusion its total equity investment in TutorVista goes to Rs 631 crore.

TutorVista will be integrated into Pearson's education business in India and will enhance our presence in the school market in India and in tutoring across the globe in schools and higher education. Pearson with this move expands its education footprint in India and also take a big step in global online tutoring.

TutorVista has raised nearly \$65 million as equity infusion during the past three rounds of funding and provides online tutoring to various geographies across the world with US being the primary market. The company is also into K-12 space, supplies digital content and technology platforms to various schools and has a growing presence in test preparation and tutoring.

Marjorie Scardino, Pearson's Chief Executive, said, "TutorVista is an innovative and effective education company that we have worked with and respected for several years. This acquisition - which we believe is the largest transaction in education in India by any company - signals our excitement about the vitality of India's education sector."

John Makinson, Chairman of Pearson India, said, "Today's acquisition underlines Pearson's commitment to education and skills development in India. The investment in TutorVista gives us control of the world's largest online tutoring business and, crucially, a solid platform on which to build a leading presence in the Indian private schools sector. As the future chairman of TutorVista, I look forward to working even more closely with Krishnan Ganesh and his extraordinarily talented team in Bangalore."

Krishnan Ganesh, Founder and CEO TutorVista, said "We started TutorVista.com to provide affordable education services and content globally. Together with Pearson, the world's leading education company, we can make this happen even faster and help millions of students achieve their educational goals. TutorVista.com is already the largest consumer online tutoring company and with the help of Pearson we will now have an opportunity to take our high quality tutoring to schools and colleges directly."

According to a statement from Pearson, Indian government currently invests \$40 billion each year or three per cent of GDP in education, while Indian consumers spend more than \$40 billion on private educational institutions and services. Both segments of the market are growing rapidly as a result of government commitment to increase the quality of and access to learning opportunities as a means of sustaining economic growth and reducing poverty.

This acquisition further supports Pearson's goals of building significant education companies in selected fast-growing markets and applying its learning services and technologies to support governments and institutions in making educational opportunities more accessible and more effective. In mid-2009, Pearson established a joint venture with Educomp, a publicly-traded learning company, to develop vocational and professional services for the Indian market.

The TutorVista acquisition follows recent investments in both acquisitions and organic growth opportunities in China, Brazil, Southern Africa and Nigeria.

Pearson expects the acquisition to enhance Pearson's adjusted earnings per share and return on invested capital in 2012, its first full year.

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Pearson acquires TutorVista

Tuesday, January 18, 2011

By CoolAvenues Newswire



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“Signs INR 577 crore (approximately) deal is the biggest transaction in the history of India’s education sector

” 4. Test preparation and tuition: it operates a

network of 60 centres across southern India delivering English language coaching courses for university entrance exams and out-of-class tuition to K-12 school children for SAT, ACT, AP and other exams.

Marjorie Scardino, Pearson’s Chief Executive, said: “TutorVista is an innovative and effective education company that we have worked with and respected for several years. This acquisition – which we believe is the largest transaction in education in India by any company – signals our excitement about the vitality of India’s education sector.”

John Makinson, Chairman of Pearson India, said: “Today’s acquisition underlines Pearson’s commitment to education and skills development in India. The investment in TutorVista gives us control of the world’s largest online tutoring business and, crucially, a solid platform on which to build a leading presence in the Indian private schools sector. As the future chairman of TutorVista, I look forward to working even more closely with Krishnan Ganesh and his extraordinarily talented team in Bangalore.”

Krishnan Ganesh, Founder and CEO TutorVista, said: “We started TutorVista.Com to provide affordable education services and content globally. Together with Pearson, the world’s leading education company, we can make this happen even faster and help millions of students achieve their educational goals. TutorVista.com is already the largest consumer online tutoring company and with the help of Pearson we will now have an opportunity to take our high quality tutoring to schools and colleges directly.”

*at current exchange rates

India’s government currently invests \$40bn each year or three per cent of GDP in education, while Indian consumers spend more than \$40bn on private educational institutions and services. Both segments of the market are growing rapidly as a result of government commitment to increase the quality of and access to learning opportunities as a means of sustaining economic growth and reducing poverty.

This acquisition further supports Pearson’s goals of building significant education companies in selected fast-growing markets and applying its learning services and technologies to support governments and institutions in making educational opportunities more accessible and more effective. TutorVista will be integrated into our education business in India and will enhance our presence in the school market in India and in tutoring across the globe in schools and higher education. In mid-2009, Pearson established a joint venture with Educomp, India’s leading publicly-traded learning company, to develop vocational and professional services for the Indian market. This venture is running ahead of our expectations.

The TutorVista acquisition follows recent investments in both acquisitions and organic growth opportunities in China, Brazil, Southern Africa and Nigeria.

Pearson expects the acquisition to enhance Pearson’s adjusted earnings per share and return on invested capital in 2012, its first full year.

Concluded.

Pearson takes majority stake in Indian publisher

(AFP) – 1 day ago

LONDON — British publisher Pearson on Tuesday said it had acquired a controlling stake in Indian education company TutorVista for \$127 million (95 million euros).

"Pearson, the world's leading learning company, today announces that it has agreed to increase its shareholding in TutorVista to a controlling 76 percent stake for a consideration of \$127 million," said a statement.

"Pearson acquired a minority stake in TutorVista in June 2009 and this transaction takes Pearson's total equity investment in the company to approximately \$139 million."

Founded in 2005 by Indian entrepreneur Krishnan Ganesh, TutorVista is headquartered in Bangalore.

"TutorVista is an innovative and effective education company that we have worked with and respected for several years," Pearson chief executive Marjorie Scardino said in the statement.

"This acquisition - which we believe is the largest transaction in education in India by any company - signals our excitement about the vitality of India's education sector."

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Pearson takes over TutorVista for R577 crore

Hindustan Times
New Delhi, January 18, 2011

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Global education and publishing giant Pearson on Tuesday announced its bullish intentions to grab a larger pie in India's lucrative educational sector with the acquisition of Bangalore-based TutorVista---an online tutoring company. Pearson acquired a fresh 60% stake in TutorVista for around R577 crore, which added to its earlier 17% stake endows it with a total 76% holding in TutorVista.

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"Pearson has valued TutorVista at around R960 crore and we are looking to acquire another 4% stake in the company over the next one month," said John Makinson, chairman Pearson India. Current CEO Krishnan Ganesh would continue to lead TutorVista, the world's largest tutoring company.

It offers digital content to over 100,000 students across 60 countries. The company also manages 19 schools in India and plans to add over 100 schools over three years. "India will be our laboratory for the world," Makinson said referring to the business of school management. The company plans to replicate the model in other countries.

Pearson is open to more partnerships and acquisitions to expand in India. "We will be looking for acquisitions in India, but they should be strategic and add value to our plans," he said. The TutorVista stake sale showcases Ganesh's expertise as an entrepreneur who has successfully launched and sold three ventures in the past. In 2002 he sold his BPO venture CustomerAsset to ICICI. In 2007 he divested his

stake in Data Analytics to BPO firm WNS. His IT services firm IT&T was taken over by iGATE in 2003.

Pearson gets control over TutorVista for ₹ 577 crore

Indo-Asian News Service, January 18, 2011 (New Delhi)

Pearson, one of the world's largest publishing groups and owner of the Financial Times newspaper, on Tuesday said it had increased its stake in Indian education firm TutorVista to a controlling level of 76 per cent, for ₹577 crore (about \$125 million).

The deal will expand Pearson's business in education in India and in global online tutoring, the company said, adding that it was one of the biggest transactions ever in the Indian education sector.

Pearson is a global media, education and publishing group, represented by market-leading businesses such as the Financial Times, Pearson Education and Penguin.

The global publishing firm had acquired a minority stake - 17 per cent - in Bangalore-based TutorVista in June 2009. With the recent transaction, Pearson's total equity investment in the company has gone up to ₹ 631 crore.

India's government currently invests about \$40 billion each year in revamping and re-hauling its schools and colleges across the country, while consumers spend an almost equal amount on private educational institutions and services.

Both segments of the market are growing rapidly, with further spending envisaged by the federal government in implementing the Right of Children to Free and Compulsory Education Act across the country.

TutorVista is primarily engaged in providing online tutorials to students in North America, supplying digital content and technology platforms to schools and providing services like curriculum design, teacher training and school administration services.

"This acquisition - which we believe is the largest transaction in education in India by any company - signals our excitement about the vitality of India's education sector," said Pearson's chief executive Marjorie Scardino.

Pearson gets control over TutorVista for Rs.577 crore

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New Delhi, Jan 18 (IANS) Pearson, one of the world's largest publishing groups and owner of the Financial Times newspaper, Tuesday said it had increased its stake in Indian education firm TutorVista to a controlling level of 76 percent, for Rs.577 crore (about \$125 million).

The deal will expand Pearson's business in education in India and in global online tutoring, the company said, adding that it was one of the biggest transactions ever in the Indian education sector.

Pearson is a global media, education and publishing group, represented by market-leading businesses such as the Financial Times, Pearson Education and Penguin.

The global publishing firm had acquired a minority stake - 17 percent - in Bangalore-based TutorVista in June 2009. With the recent transaction, Pearson's total equity investment in the company has gone up to Rs.631 crore.

India's government currently invests about \$40 billion each year in revamping and re-hauling its schools and colleges across the country, while consumers spend an almost equal amount on private educational institutions and services.

Both segments of the market are growing rapidly, with further spending envisaged by the federal government in implementing the Right of Children to Free and Compulsory Education Act across the country.

TutorVista is primarily engaged in providing online tutorials to students in North America, supplying digital content and technology platforms to schools and providing services like curriculum design, teacher training and school administration services.

'This acquisition - which we believe is the largest transaction in education in India by any company - signals our excitement about the vitality of India's education sector,' said Pearson's chief executive Marjorie Scardino.

Pearson also has another joint venture in India with publicly traded learning solutions company Educomp, which develops vocational and professional services for the Indian market.

'This venture is running ahead of our expectations,' the company said.

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<http://timesofindia.indiatimes.com/business/india-business/Pearson-takes-control-of-TutorVista/articleshow/7315382.cms>

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