

Annexure A

Industry Report on Home Services and Solutions

Unless otherwise stated, references in this section to “FY” are to the 12-month period ended March 31 of that year, references to “CY” are to the relevant calendar year and references to years ended with “P” are to the projection by that year.

SECTION 1: INDIA’S MACROECONOMIC CONTEXT AND ITS EVOLVING CONSUMPTION BEHAVIOR

India is the fastest-growing economy among the G20 countries between CY2024 and CY2029, with convenience-led consumption being a key component of this growth, driven by rising incomes, a younger population, rapid urbanization, the growth of nuclear families, and increased female workforce participation

India continues to be one of the fastest-growing large economies, with real GDP estimated at ₹186–188 trillion (US\$2.2 trillion) in FY2025 and projected to grow at ~6.5% CAGR to ₹270–275 trillion (US\$3 trillion) by FY2030 – the fastest among G20 economies (MoSPI, IMF). India is expected to become the world’s third largest economy during this period.

A. India’s consumption is driving the GDP growth

Growth is primarily consumption-led. Private Final Consumption Expenditure (PFCE) contributed ~61% of GDP in FY2025 (MoSPI), with significant headroom compared to developed economies such as the US (~69% in CY2024; CEIC). India’s GDP per capita is around ₹170,000 (US\$2,000), a threshold historically associated with acceleration in discretionary consumption in large economies.

Fig. 1. (a) PFCE as a % of Nominal GDP – India
(FY2020⁴, FY2025⁵, in ₹ trillions (US\$³ trillions))

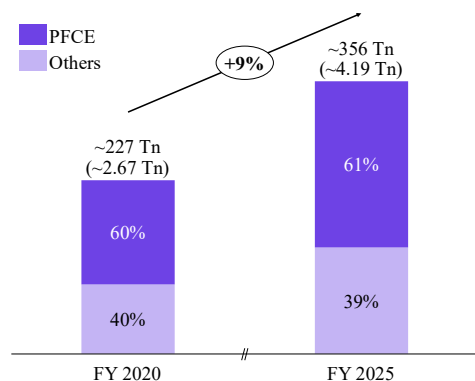
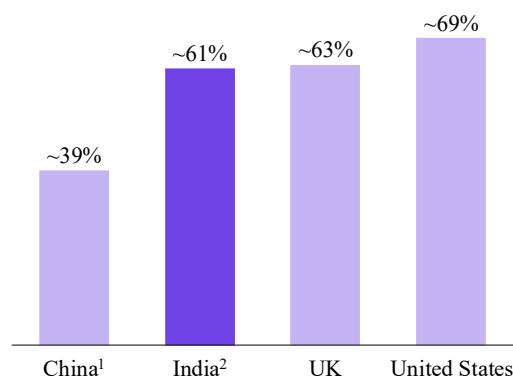


Fig. 1. (b) PFCE as a % of GDP at current prices – India, United States, UK, China
(CY2024 unless specified, in % of GDP)



Note(s): 1. China figures as of CY2023, 2. India figures as of FY2025, 3. Conversion rate: US\$ 1 = ₹85, 4. FY2020: Provisional Estimates (“PE”) have been considered, 5. FY2025: PE has been considered
Source(s): MoSPI, CEIC

Rising incomes are reshaping household structures and demand. The number of lower-middle, middle, and high-income households grew from ~163 million in FY2023 to ~188 million in FY2025 and is projected to rise further to ~260 million by FY2030, representing ~76% of all households. This growth is accompanied by a decline in low-income households and a steady increase in dual-income families. Female labour force participation, for example, increased from ~23% in FY2018 to ~42% in FY2024 (Ministry of Labor and Employment), supporting higher disposable incomes.

Urbanization is creating demand hotspots. As of CY2024, ~520 million Indians resided in urban areas (~37% of the population, MoHUA, UNPD). This share is projected to cross 50% by CY2050, with urban centers contributing ~80% of national GDP (MoHUA). Migrants setting up new nuclear households — which increased

from ~184 million in FY2020 to ~216 million in FY2025 and are projected to add another 50–60 million by FY2030 — are more likely to seek standardized, organized services due to lack of access to local informal networks.

These demographic and economic shifts are leading households to outsource time-consuming tasks such as cleaning, repairs, and grooming, reinforcing demand for convenience-driven home services delivered through organized and digital platforms.

Fig. 2. Share of households by annual income¹ across India

(FY2023, FY2025, FY2030P, in millions)

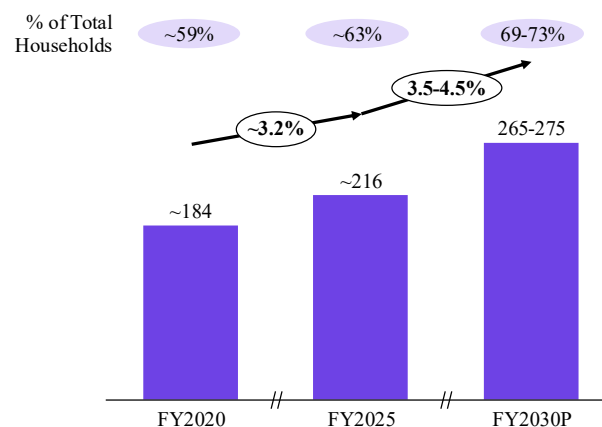
Categorization	FY 2023 Total Households ~312 million	CAGR (FY 2023–25)	FY 2025 Total Households ~344 million	CAGR (FY 2025–30P)	FY 2030P Total Households ~372 million
Upper Middle and High– Income ₹1.0 million+ (US\$ 11,700+)	40 million (13%)	~8%	46 million (13%)	~7%	65 million (17%)
Middle – Income ₹0.5 – 1.0 million (US\$ 5,800– 11,700)	53 million (17%)	~10%	65 million (19%)	~6%	87 million (23%)
Lower Middle – Income ₹0.25 – 0.5 million (US\$ 2,900 – 5,800)	110 million (35%)	~6%	123 million (36%)	~2%	133 million (36%)
Low – Income < ₹0.25 million (<US\$ 2,900)	109 million (35%)	~0%	110 million (32%)	~(5%)	87 million (24%)

Note(s): 1. Income is calculated based on real wage growth, accounting for wage inflation.

Source(s): Redseer research and analysis

Fig. 3. Number of Nuclear Households – India

(FY2020, FY2025, FY2030P in millions)



Note(s): A nuclear household is a family unit consisting of a couple and their dependent children, without extended family members

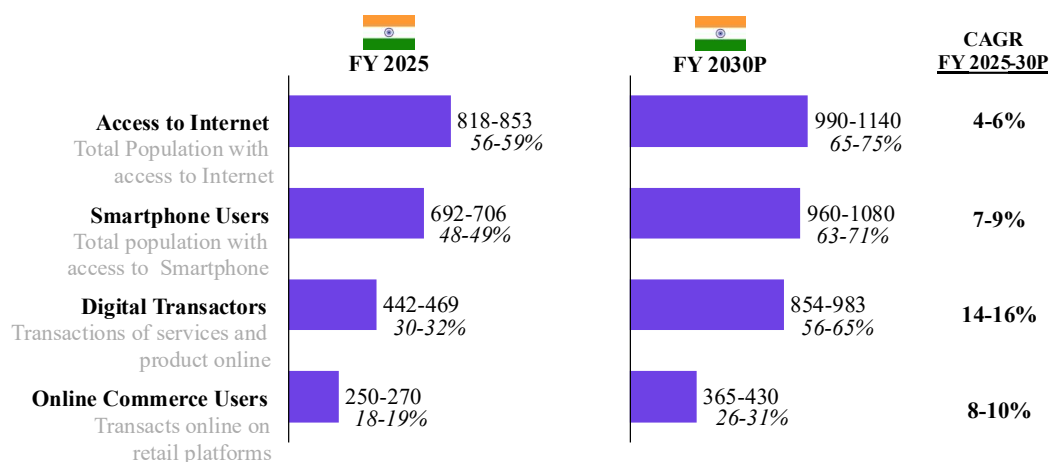
Source(s): Redseer research and analysis

Section 2: Evolution of the digital ecosystem and gig economy to power the rising consumption

Affordable smartphones and inexpensive internet access has catalyzed the growth of India's digital ecosystem. This ecosystem is characterized by streamlined payment systems and a diverse array of readily available goods and services which is increasing year-on-year. Supporting this framework is a network of gig workers who contribute to its seamless operation. Ultimately, this digital infrastructure is fostering a culture of convenience-based consumption.

India's digital ecosystem has scaled rapidly due to affordable data, widespread smartphone adoption, and efficient payment infrastructure. Internet users grew from 561-591 million in FY2020 to 818-853 million in FY2025 and are projected to reach 990-1,140 million by FY2030. Affordable smartphones (692-706 million in FY2025, projected to 960-1,080 million by FY2030; and some of the world's lowest mobile data costs (₹10-16/GB in CY2024 vs. ~₹240/GB in the US, ~₹30-40/GB in China; (Source: Telecom Regulatory Authority of India) have deepened digital engagement, with Indians spending 170-180 minutes daily on social media in CY2024.

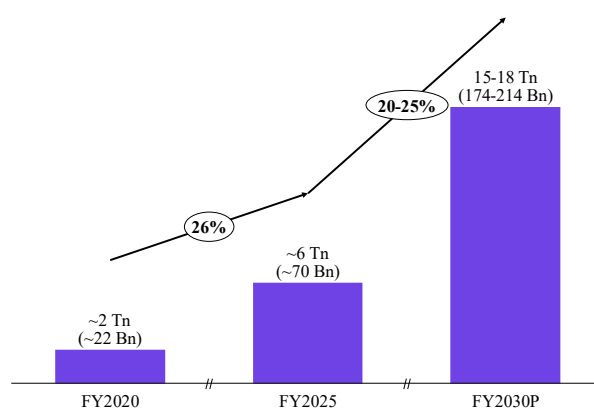
Fig. 4. Consumer Internet Funnel – India
(FY2025, FY2030P, in millions (% of population))



Source(s): Redseer research and analysis

This has translated into rapid digital commerce growth. UPI processed P2M transactions of ~₹72 trillion (US\$ 846 billion) in FY2025 (NPCI), up 42% from FY2024. E-commerce expanded at ~26% CAGR between FY2020 and FY2025, reaching ~₹6 trillion (US\$ 70 billion) in FY2025, and is projected to grow to ₹15-18 trillion (US\$ 15-18 billion) by FY2030. Despite this, penetration is still low (~7% in CY2024 vs. China 34%, UK 27%, US 17%), leaving significant headroom.

Fig. 5. Ecommerce market size in India
(FY2020, FY2025, FY2030P, in ₹ trillions (US\$¹ billions))



Note(s): 1. Conversion rate: US\$ 1 = ₹85

Source(s): Redseer Research and Analysis

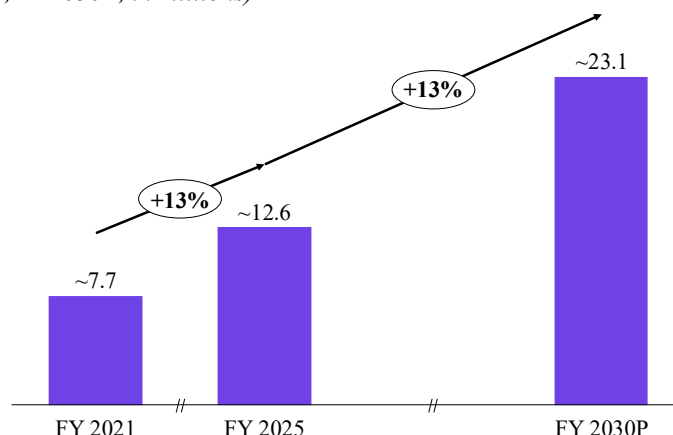
Fig. 6. Ecommerce penetration in India (as a share of overall retail market) and global benchmarks
(CY2024, in % of total)



Source(s): Redseer Research and Analysis

Supporting this ecosystem is a fast-expanding gig workforce, which grew from ~7.7 million in FY2021 (NITI Aayog) to ~12.6 million in FY2025 and is projected to reach ~23.1 million by FY2030. A sizable share is engaged in on-demand and home delivery services, enabling platforms to meet rising consumer demand with scale and flexibility.

Fig. 7. Number of Gig Workers – India
(FY2021, FY2025, FY2030P, in millions)



Source(s): NITI Aayog

Gig platforms (platforms which avail the services of gig workers directly) are playing a crucial role in providing access to credit and social security for workers, contrasting sharply with the unorganized sector, where such benefits are often lacking. These platforms are beginning to offer various benefits, including health insurance, personal accident coverage, and life insurance, which are essential for safeguarding the well-being of workers. Some gig platforms facilitate access to earned wage credit, allowing workers to withdraw a portion of their earnings before the official payday. This flexibility helps gig workers manage their cash flow more effectively, thereby, reducing reliance on high-interest loans or informal credit sources. The planned implementation of the Code on Social Security by the Central Government and various state legislations should formalize these insurance and healthcare support systems for gig workers, thus encouraging further supply creation.

Section 3: Overview of the Home Services Market in India

The Indian home services market encompasses a wide range of offerings, from beauty services to home repairs and renovations, with consumption patterns varying significantly based on household income, convenience needs, and personal preferences. High-income and dual-income households typically show higher frequency and spending on these services, while low-income households gradually adopt them as incomes rise. This diverse market was valued at ₹5,100–5,210 billion (approximately US\$ 60 billion) in FY2025 and is projected to grow at a 10-11% CAGR from FY2025 to FY2030P, driven by anticipated increasing urbanization and rising incomes.

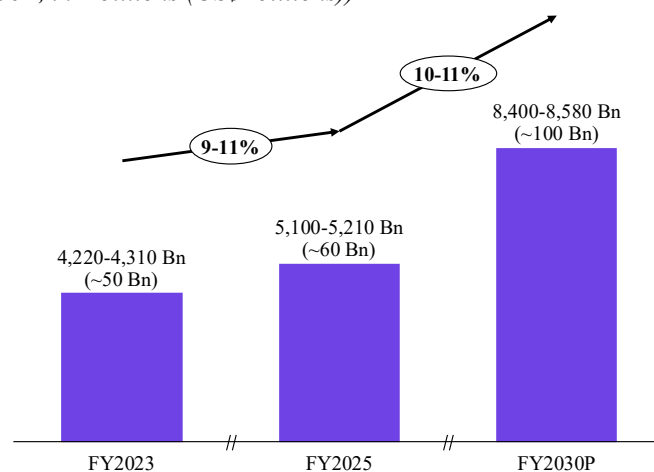
The home services market, traditionally dominated by unorganized local vendors, suffers from inconsistencies

in availability, pricing, quality, and post-service support, leading to varying levels of customer satisfaction. This presents an opportunity for technology-driven platforms to standardize services, improve matching of demand and supply, and provide better earnings and benefits for service professionals by offering a more transparent and efficient alternative to traditional channels.

A. Home Service Market in India comprises multiple categories, together valued at ₹5,100 – 5,210 billion (approximately US\$60 billion) in FY2025

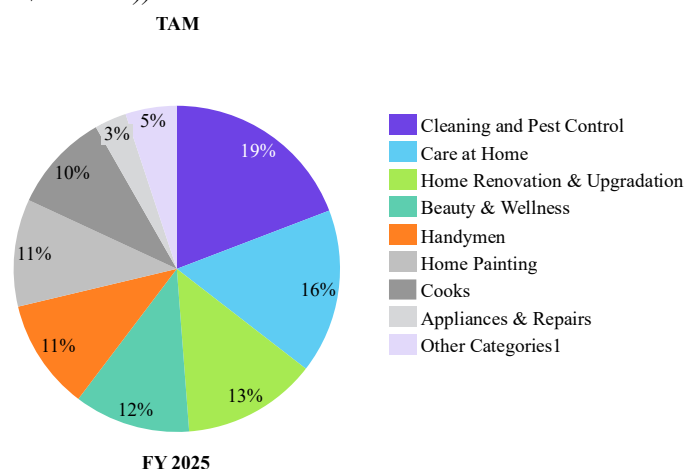
The home services market in India is a rapidly evolving sector that encompasses a wide array of services aimed at enhancing the convenience and quality of life for households. This market includes both traditional and modern service offerings, ranging from basic household chores to specialized professional services. With the increase in urbanization and busier lifestyles, the demand for these services has surged, making it a pivotal area for growth in the Indian economy. The home services industry in India has a large market opportunity with a total addressable market (“TAM”) of ₹5,100-5,210 billion (approximately US\$60 billion) in FY2025, which is projected to grow at a CAGR of 10-11%, to reach ₹8,400-8,580 billion (approximately US\$100 billion) in FY2030 driven by rising urbanization and increasingly busy lifestyles.

Fig. 8a. India Home Services Market (TAM¹)
(FY2023, FY2025, FY2030P, in ₹ billions (US\$² billions))



Note(s): 1. TAM also includes the cost of products used in the services, 2. Conversion rate: US\$ 1 = ₹85
Source(s): Redseer Research, Redseer Analysis

Fig. 8b. India Home Services Market (TAM) – Breakup by Service Categories
(FY2025, in ₹ billions (US\$² billions))



Note(s): 1. Other categories include Packers and Movers, Driver on Demand and Gardener, 2. Conversion rate: US\$ 1 = ₹85
Source(s): Redseer Research, Redseer Analysis

The usage of home services in India varies significantly across households, driven by differences in income levels, family structures, and lifestyle preferences.

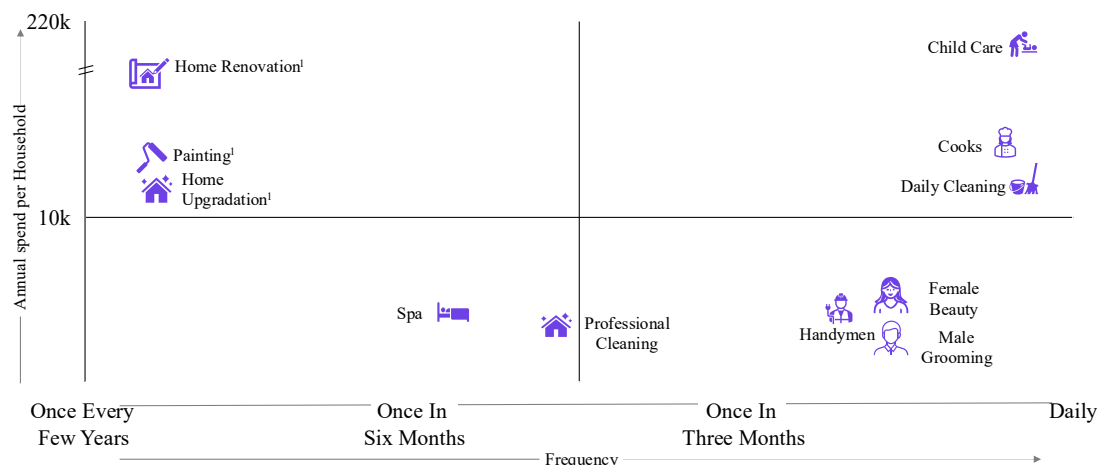
For example, a high-income or dual-income household typically exhibits a high frequency of beauty service usage, reflecting their greater disposable income and focus on personal grooming. This is due to both partners mostly spending time outside the home, and their prioritizing of convenience and instant service. Such households have most members using beauty and wellness services at home almost every month. They value hygiene and a well-maintained living space, rely on cleaning services for daily upkeep and deep cleaning, and depend on handyman services for regular maintenance and quick repairs to keep their homes functional. Further, they tend to own multiple appliances, creating a consistent demand for appliance maintenance services. Additionally, they prioritize maintaining the aesthetics of their homes, often opting for repainting and home upgradation every 3–5 years.

In contrast, middle-income households tend to make budget-conscious decisions, resulting in a lower frequency of beauty services and home maintenance and repairs. They typically own fewer appliances, resulting in less frequent need for maintenance services. Domestic help in these households is usually limited to part-time arrangements, such as daily cleaning, rather than full-time cooks or nannies. However, these households are increasingly recognizing the value of professional home services for occasional deep cleaning, appliance maintenance, and seasonal upkeep.

Low-income households are at an early adoption stage for many of these services. They are more likely to engage with low skilled or more affordable local providers for major home services requirements. Beauty service usage is minimal, with most households availing such services occasionally in a year for special occasions (marriages, festivals). These consumers are just beginning to invest in aspirational purchases, such as purchasing an RO water purifier, a microwave etc., signaling a gradual shift in lifestyle improvements. They undertake home maintenance (including painting) infrequently—often every 7 years or more—due to financial constraints.

The chart below is a snapshot of usage of different services at home. It depicts the typical usage frequency range for all services, as well as the annual spend per household for each service. For each category, the frequency and annual spend varies across households basis household income and relevance of the service. The numbers depicted in the following chart are averages across all such households.

Fig. 9. Frequency and Annual spend/HH for services (FY2025, in ₹)



Note(s): 1. Represents transaction value for these services as occurrence is once every few years.

Source(s): Redseer Research, Redseer Analysis

The overall home services market comprises beauty and wellness services, home repair and maintenance and other categories, as detailed below.

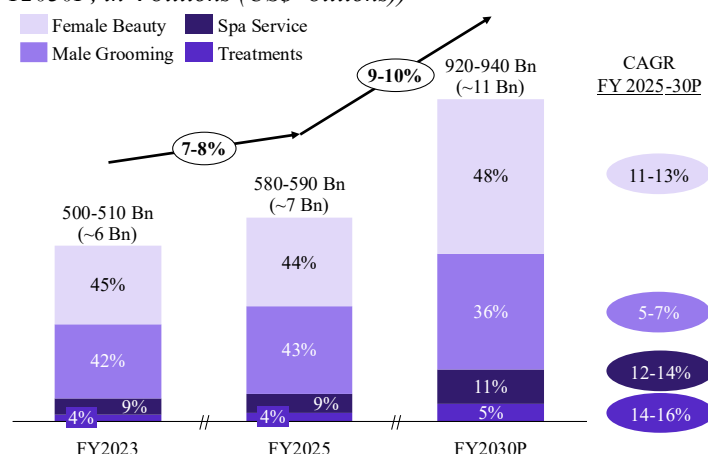
1. Beauty and Wellness Services

The overall beauty and wellness services market in India was valued at ₹575-600 billion (approximately

US\$7 billion) in FY2025, with a projected CAGR of 9-10% by FY2030P. This market can be broadly categorized into four main segments – female beauty, male grooming, spa service and treatments. Female beauty is the largest among these, worth ₹250-260 billion, followed by male grooming worth ₹245-255 billion, spa service worth ₹54-56 billion, and treatments worth ₹26-27 billion, as of FY2025.

Fig. 10. Beauty and Wellness Market in India¹ – Split by Category

(FY2023, FY2025, FY2030P, in ₹ billions (US\$² billions))



Note: 1. Beauty services market includes the cost of products and consumables used in the service, 2. Conversion rate: US\$ 1 = ₹85
 Source(s): Redseer Research, Redseer Analysis

The female beauty segment comprises skincare services (such as facials, clean-ups, anti-aging and acne management), hair depilation (such as waxing and threading), hair services, makeup services, and nail services (including manicure and pedicure). Hair care is the largest sub-segment within female beauty, making up approximately 69% of the female beauty market in FY2025, while nails is the fastest growing sub-segment, projected to grow at 15-16% CAGR by FY2030P. The men's grooming segment consists of hair and beard services and other services like facials, manicures and skin treatments. Among these, the hair and beard sub-segment comprises approximately 95% of men's grooming services market while other services comprise approximately 5% of this market in FY2025.

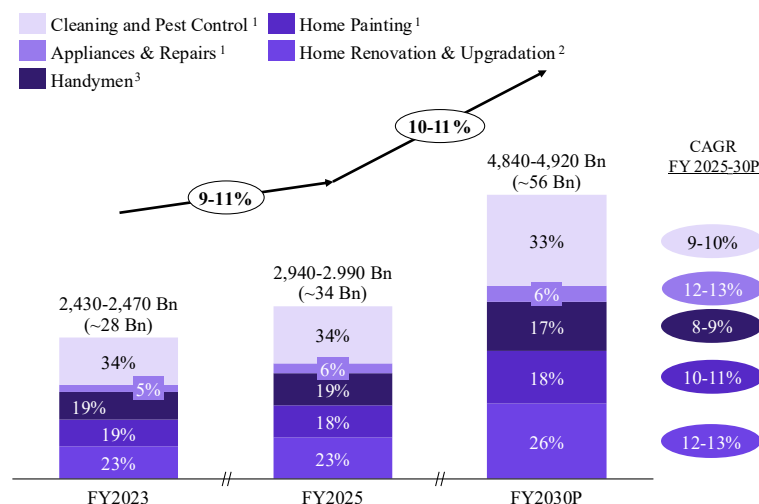
Spa services segment includes various massage services and relaxation treatments such as full body massages, aromatherapy, and hydrotherapy. The frequency varies widely, from monthly for regular users to annually for occasional indulgence. Spa services is a ₹54-56 billion market as of FY2025, projected to grow at 12-14% CAGR by FY2030P. Treatments segment refers to machine-based facials and treatments for laser hair removal, hair growth, fat loss, botox, etc. This segment is small at ₹25-27 billion as of FY2025 but is projected to grow the fastest at 14-16% CAGR between FY2025 and FY2030P.

As consumers seek more than just basic grooming, beauty and wellness services are evolving into experiences of indulgence, self-care, and personalization. This shift is driving demand for high-quality products such as roll on wax for hair removal, specialized skincare products for facials and premium nail polishes for manicures and pedicures. With consumers increasingly seeking premium experiences and visible results, their willingness to spend more on such services is growing, further fueling the expansion of the beauty and wellness market.

2. Home Repair and Maintenance

The home repair and maintenance market in India was valued at ₹2,940-2,990 billion (approximately US\$ 35 billion) in FY2025, and is projected to grow at a CAGR of 10-11% by CY2030P. This market can be broadly categorized into five main segments – cleaning and pest control, appliances repairs, handyman, home painting, and home renovation and upgradation.

Fig. 11. Home Services Market in India – Split by Category
(FY2023, FY2025, FY2030P, in ₹ billions (US\$⁴ billions))



Note(s): 1. Appliances and Repair, Cleaning, Pest Control, and Painting include the cost of products used during service (e.g., replacement parts for appliances, cleaning and pest control chemicals, paints, polish, etc.). 2. Home Upgradation includes the cost of materials for minor standardized services (e.g., wall panels, wallpaper) but excludes high-value contracted upgrades. 3. Handyman services cover the cost of low value spares used for minor repairs but exclude products used for major repairs. Further, handyman services do not account for captive handyman fleets maintained by residential societies. 4. Conversion rate: US\$ 1 = ₹ 85

Source(s): Redseer Research, Redseer Analysis

Cleaning services comprises daily cleaning, high frequency cleaning and professional cleaning. Daily cleaning is the most common form of household cleaning, typically performed by domestic helpers or maids, while high-frequency cleaning includes more intensive cleaning tasks that are performed on a weekly or monthly basis, such as bathroom and balcony cleaning, depending on the household's needs. In parallel, ad hoc needs like mopping or quick cleaning are gaining traction, especially in urban markets, driven by a growing demand for convenience and rapid service outside the traditional domestic help setup. Professional deep cleaning involves specialized, thorough cleaning services performed by trained professionals using advanced equipment and techniques for comprehensive house cleaning as well as specific tasks. The segment was valued at ₹930-945 billion in FY2025 and is projected to increase at a CAGR of 9-10% to reach ₹1,500-1,530 billion by FY2030. Pest control service market includes pest management for homes and apartments and was valued at ₹55-57 billion in FY2025 and is projected to increase at a CAGR of 9-11% to reach ₹90-92 billion by FY2030.

Appliance installation, repair, and service market encompasses several key appliance categories such as air conditioners, washing machines, refrigerators, color TVs, microwaves, geysers and, water purifiers, amongst others. This growth is particularly strong in urban areas and tier-2 cities where appliance adoption is rapidly increasing. The segment was valued at ₹165-170 billion, with repairs contributing approximately 53% of the market in FY2025 and is projected to increase at a CAGR of 12-13% to reach ₹290-295 billion by FY2030P. Repair service charges typically cover labor only, while the cost of spare parts needed after diagnosis is charged separately.

Handyman services market in India largely encompasses electricians, plumbers, and carpenters. The segment was valued at ₹560-570 billion as of FY2025 and is projected to increase at a CAGR of 8-9% to reach ₹840-855 billion by FY2025. Handyman services are primarily used for regular maintenance tasks like minor electrical repairs, plumbing fixes, and carpentry work or for emergency repairs like electrical outages, water leaks, or structural damages.

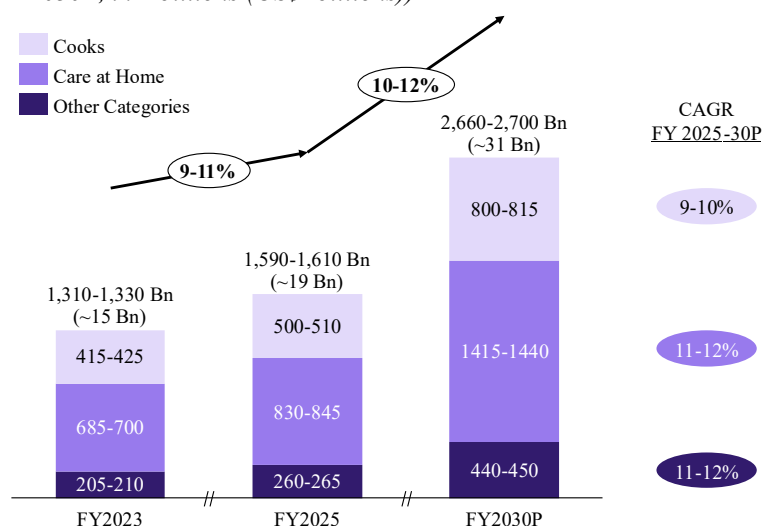
Home painting service segment includes interior and exterior painting services. Interior services include painting of walls, ceilings, and woodwork inside homes. Additionally, homeowners opt for wood painting and polishing to cover wooden furniture, doors, and windows, while carrying out interior painting. Exterior painting services include painting of outer walls, gates, and other exterior surfaces. The segment was valued at ₹545-555 billion as of FY2025 and is projected to increase at a CAGR of 10-11% to reach ₹880-895 billion by FY2030. Product cost includes materials such as paints (matte, gloss, textured), primers, putty, wood polish, and weather-resistant coatings, with pricing influenced by product quality and durability.

The home renovation and upgradation segment (including interior design) can be divided into two sub-segments. The first sub-segment, i.e., home upgradation services, focuses on smaller, frequent enhancements such as wallpaper installation, flooring upgrades, texturing, and minor kitchen and bathroom improvements. Wall panel installations are a small but growing alternative to regular home painting as they are easy to install and maintain and are reasonably priced. Other small projects like TV walls, home entrance redesigns, and balcony makeovers form a growing niche, offering easy installation, low maintenance, and affordability. The second sub-segment, i.e., home renovation services, involves larger-scale projects that often require professional interior design, including full kitchen and bathroom remodels, structural modifications, and major flooring overhauls. As of FY2025, the home renovation market stands at ₹420-430 billion, covering only service costs, while home upgradation market stands at ₹260-270 billion. Among the two sub-segments, the home upgradation segment, being more frequent and accessible, is projected to grow faster than the home renovation market, at the rate of approximately 13% CAGR between FY2025 and FY2030P.

3. Other Categories

The other categories market in India was valued at ₹1,590-1,610 billion (approximately US\$19 billion) in FY2025, which is projected to grow at a CAGR of 10-12% by FY2030P. This market can be broadly categorized into three main segments – cooks, care at home, and other categories.

Fig. 12. Other Categories Market in India – Split by Category
(FY2023, FY2025, FY2030P, in ₹ billions (US\$¹ billions))



Note(s): 1. Conversion rate used: US\$ 1 = ₹85

Source(s): Redseer Research, Redseer Analysis

Cooks market primarily caters to households where both men and women are working, creating a need for convenient and quality meal solutions. About 21% of households (primarily consisting of working women) use part-time cook services. Cooks market size was valued at ₹500-510 billion in FY2025 and is projected to reach ₹800-815 billion by FY2030P.

Care at home market primarily consists of three main segments - acute care services, elderly care and childcare services. The segment was valued at ₹830-845 billion in FY2025 and is projected to increase at a CAGR of 11-12% to reach ₹1,415-1,440 billion by FY2030P. Acute care services include home ICU setups, post-operative care, and specialized nursing care, elderly care services include long-term care for seniors, including nursing care, physiotherapy, and daily assistance, while childcare services (at home) primarily cater to working parents, especially in urban areas, who require reliable childcare in their homes. These include full-time nanny services, part-time babysitting services and specialized childcare services which includes roles like newborn care specialists and governesses.

Other categories include packers and movers, driver on demand, and gardener services. It is the smallest segment of the three, valued at ₹260-265 billion as of FY2025, and is projected to increase at a CAGR of 11-12% to reach ₹440-450 billion by FY2030P. Driver-on-demand service provides professional drivers for hire whenever needed. Customers can book a driver to operate their vehicle for tasks like commuting, long trips, or special occasions, without the need to employ a full-time driver.

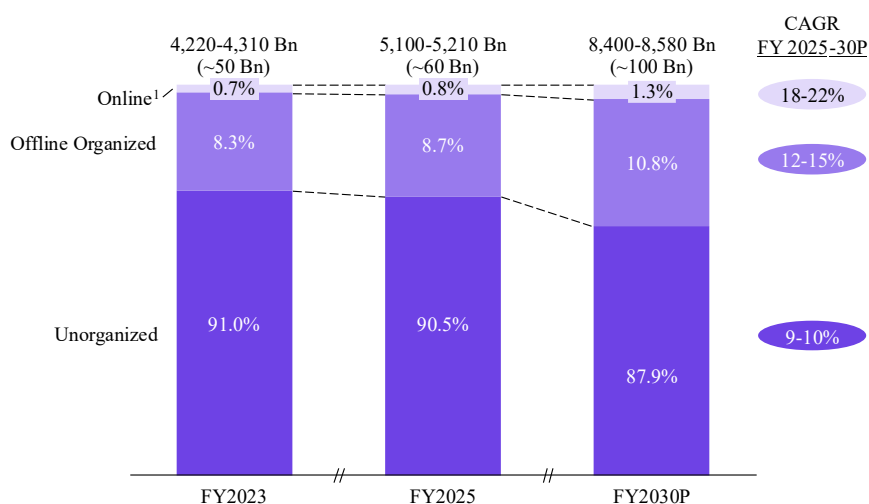
Additionally, other daily needs services can include services like car washing, clothes ironing and laundry, pet walking etc. which are relatively small compared to others and are not included in the total addressable market (“TAM”).

B. Online full stack service providers have a large growth headroom in India’s home services market and are projected to grow at 18-22% CAGR between FY2025 and FY2030.

India’s home services market is catered to by 3 types of players –

1. Unorganized local players: These consist of mom-and-pop setups and individual service professionals providing a variety of services, such as local salons, local electricians, plumbers operating on their own, local contractors, cleaners, gardeners, and pest control providers, among others.
2. Offline organized players: These consist of salon and spa chains, original equipment manufacturers (“OEMs”) with local dealerships for servicing and repair of appliances, painting majors with dealerships to provide painting services and, agencies providing deep cleaning and high frequency cleaning.
3. Online full stack platforms: They consist of a mix of vertical players providing a specific category of service online (such as beauty or handymen) and horizontal players providing a gamut of home services online.

Fig. 13. Home Services Market – split by organized and unorganized providers (FY2023, FY2025, FY2030P, in ₹ billions (US\$² billions))



Note(s): 1. Online represents online full-stack platforms share, and excludes classifieds, 2. Conversion rate: US\$ 1 = ₹85
Source(s): Redseer Research, Redseer Analysis

The home services industry in India is largely unorganized, fragmented, and offline, with online penetration of less than 1% as of FY2025, based on the net transaction value. The online home services industry is large, sized at ₹41-43 billion in FY2025, and is growing at a CAGR of 18-22% from FY2025-2030P. While the market is expected to remain concentrated with unorganized players, online players are well-positioned to capture an increasing share. This increase is fueled by rising adoption driven by consumer convenience, seamless service delivery, and reduced hassles compared to offline alternatives. Factors such as user migration to urban areas and superior service quality, further establish online full stack platforms as the preferred choice, offering efficiency, reliability, and accessibility.

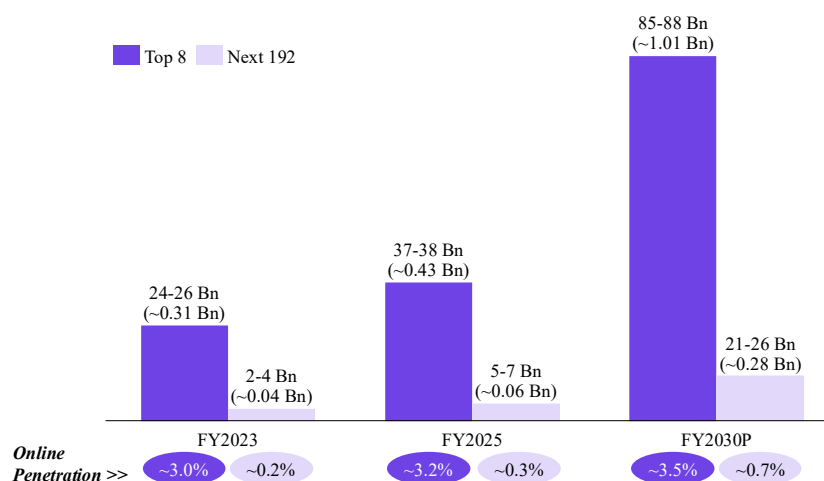
Additionally, online full stack home services platforms offer a superior value proposition to customers compared to traditional offline organized and unorganized stores. These platforms provide a seamless, convenient experience by connecting customers with vetted, trained professionals for a wide range of services at their doorstep. The value encompasses factors such as quality assurance and time savings. Customers benefit from standardized pricing, eliminating the need for haggling, and enjoy the convenience of booking services 24/7 through user-friendly mobile apps. Notably, there has been a post-COVID shift in consumer behavior favoring quicker fulfilment, leading to fewer cancellations or reschedules, thereby increasing preference as well as repeat usage of such services across platforms. Additionally, these platforms offer comprehensive customer support, real-time service tracking, and secure payment options, enhancing overall satisfaction and trust. By leveraging

technology and maintaining quality control measures, online full-stack platforms ensure consistent, high-quality service delivery, which may justify any potential price premium compared to unorganized alternatives. As a result, the combination of convenience, reliability, and quality assurance provided by these platforms creates a compelling value proposition.

Further, relative to the rest of the country, the online home services market in the top 8 cities is more developed, primarily driven by factors such as demand density, busier lifestyles, higher disposable incomes with a willingness to pay for quality and convenience, greater awareness of on-demand services, ease of discovery, and trustworthy platforms, all of which contribute to faster adoption. Market penetration for online home services in the top 8 cities (which contribute to 85-90% of the online services market in FY2025) stands at approximately 3.2% by values (as of FY2025) projected to grow to approximately 3.5% by FY2030. In contrast, in the next 192 cities, the penetration stands at only approximately 0.3% in FY2025, projected to grow to approximately 0.7% by FY2030.

However, beyond the top 8, the top 50 cities represent a critical growth engine for the online home services market. These cities offer a compelling growth opportunity driven by rising dual-income households, aspirational consumption, improving digital access, and lower competition intensity, enabling more efficient customer acquisition and service delivery.

Fig. 14. Split of online market by top 8 and next 192 cities (FY2023, FY2025, FY2030P, in ₹ billions (US\$¹ millions))

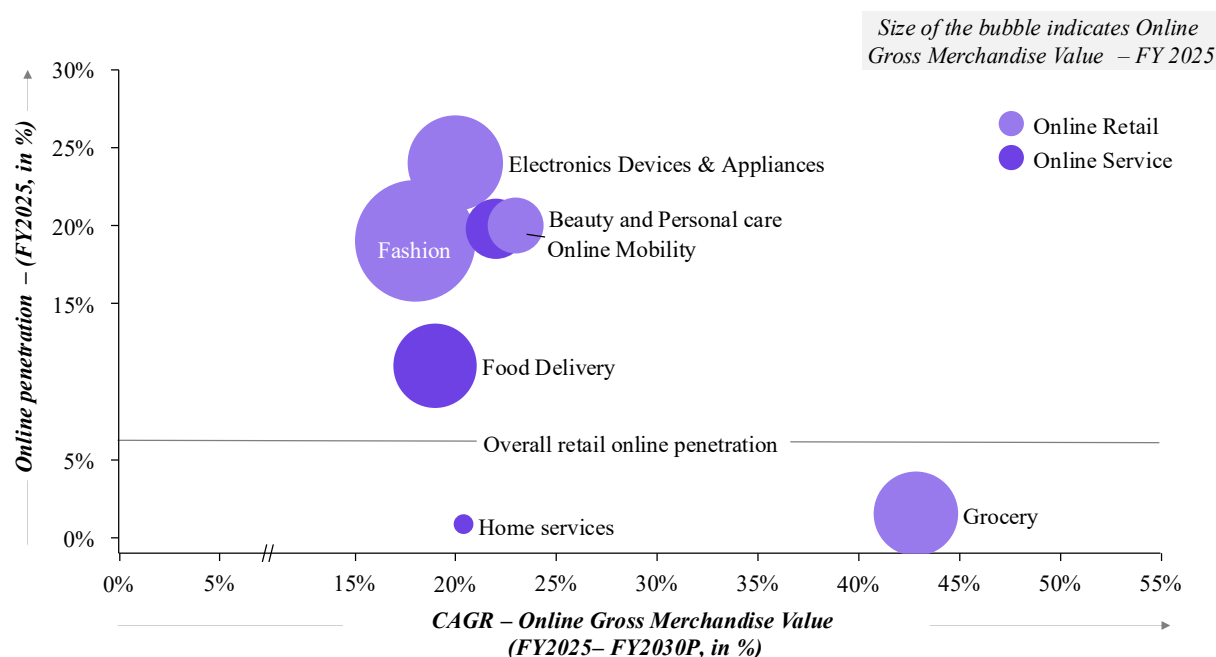


Note(s): 1. Conversion rate used: US\$ 1 = ₹85

Source(s): Redseer Research, Redseer Analysis

The online home services market in India presents immense growth potential, with significant headroom for expansion compared to more mature markets. approximately 2% of households in India have utilized online home services in CY2024, compared to more than 50% in the United States, and approximately 21% in China, indicating significant potential for growth in the Indian market. [The per capita spend on home services was valued at approximately ₹161,500 (approximately US\$ 1,900) in United States, approximately ₹17,000 (approximately US\$ 200) in China and approximately ₹3,485 (approximately US\$ 41) in India for CY2024. However, the per capita spend in India among people earning between 5-20 lakh per annum is relatively higher at ₹6,375-7,650 (US\$ 75-90) for CY2024.

Fig. 15. Online Gross Merchandise Value (“GMV”) relative size and growth, Online Penetration (Online penetration in %, Growth in %, FY2025)



Source(s): Redseer Research, Redseer Analysis

Other service-based internet platforms in India, such as mobility, food delivery, and quick commerce, are growing rapidly by solving key consumer problems. They offer convenience with doorstep services, seamless booking, real-time updates, transparent pricing, and quality assurance through ratings and feedback. Online mobility and food delivery platforms have grown at a CAGR of 12% and 24% respectively, between FY2020 and FY2025.

C. Online full stack platforms addressing structural challenges in home services could reach ₹105-110 billion by FY2030, projected to grow at an 18-22% CAGR between FY2025 and FY2030.

Customer journey in the home services market is characterized by 6 key parameters as explained below.

Fig. 16. Parameters impacting purchase of home services

Discovery	Pricing	Scheduling and Timeliness	Quality of service	Quality of products used	Post service help
Ease of finding trusted professionals; clear information on services provided, and products used by them (menu card); wide assortment of categories to cover all at home needs	Transparent, competitive, and value-driven rates	Timely execution of services with flexible scheduling	Consistency and expertise in fulfilling customer expectations	Use of durable, high-standard materials or tools	Availability of support for complaints or follow-ups

Source(s): Redseer Research, Redseer Analysis

The offline and unorganized home services market in India faces numerous challenges, affecting both consumers and service professionals. Consumers face the twin challenges of poor access to quality supply and inconsistent service quality, while service professionals suffer from a lack of demand, predictability for their services and often rely on intermediaries, thereby resulting in sub-optimal earnings. These challenges have led to faster growth of offline organized players and online full stack platforms compared to the unorganized market.

There are clear differences in the ability and performance of unorganized local players, offline organized players, and online full-stack platforms, across the customer journey parameters. Online full stack platforms outperform on all the key parameters, driven by stronger technology integration, superior data access and analytics and asset-light business model.

Table 1. Comparison of unorganized, organized offline and online full stack platforms across 6 aspects for customers

Parameter	Offline unorganized (localized vendors found on social media, classifieds, in offline markets)	Offline organized (beauty and salon chains, appliance OEMs, painting companies etc.)	Online full-stack Platforms
Share of TAM serviced	approximately 90.5%	approximately 8.7%	approximately 0.8%
Discovery	<p><i>Poor</i> – typically dependent on recommendations from family and friends.</p> <ul style="list-style-type: none"> Difficult to assess partner skills and previous experience. 	<p><i>Average</i> – varies by service category and size of player</p> <ul style="list-style-type: none"> Beauty organized chains have rate cards, but rates change by locality and frequently through the year. 	<p><i>Excellent</i> – <i>Easy discovery of partners across categories</i></p> <ul style="list-style-type: none"> Background verified partners with transparent consumer ratings basis past performance for wide assortment of services.
Pricing	<ul style="list-style-type: none"> No availability of standardized rate cards. Service professionals tend to price basis locality, availability of supply at the time and income levels of the consumer determined through social cues (for example, type of residential society) 	<ul style="list-style-type: none"> Appliances and home projects players typically work on a diagnosis model – they will provide visitation and provide estimate post visitation elongating the discovery cycles 	<ul style="list-style-type: none"> Standardized rate cards for all services – focus on identifying a wide range of standard service units needed and pricing upfront vs relying on diagnosis or visitation. In services not possible without diagnosis, online players use technology to reduce discovery cycles, for example – using online diagnosis via video calling, developing easy tools which can be used by a large fleet of partners to diagnose fast and on the job, and clear rate card for frequently used spares.

Parameter	Offline unorganized (localized vendors found on social media, classifieds, in offline markets)	Offline organized (beauty and salon chains, appliance OEMs, painting companies etc.)	Online full-stack Platforms
Delivery	<ul style="list-style-type: none"> Inconsistent with poor time discipline. 	<ul style="list-style-type: none"> Decent with scheduled slots but bound by working hours and inflexible supply availability. Limited processes to ensure timeliness and difficult for consumer to reschedule or cancel if needed. 	<ul style="list-style-type: none"> Real-time scheduling and tracking for reliable and punctual service. Wider coverage through technology-driven service management. Flexible options for easy rescheduling and cancellations.
Service/ Product quality	<ul style="list-style-type: none"> Inconsistent service quality – on the job learning with no formal training or certification. Absence of formal feedback loop to improve quality. Questionable quality of spares with risk of counterfeit or substandard user parts used with no post service warranty. For instance, traditionally, appliance diagnostics relied heavily on the individual expertise of service professionals, often leading to errors and inefficiency. 	<ul style="list-style-type: none"> Minimum service and product quality ensured with post service warranties, however, missing structured training and feedback mechanisms. 	<ul style="list-style-type: none"> Professional training and quality control to maintain high service standards. Customer review and monitoring systems to track and improve service quality. Standardized service processes with technology-driven tracking for accurate delivery. Transparent pricing with rate cards for spare parts and post-service warranties.
Post service support	<ul style="list-style-type: none"> Non-existent. 	<ul style="list-style-type: none"> Available – not time bound, limited structure for follow up and closure. 	<ul style="list-style-type: none"> Robust post-service support with warranties and dedicated helplines. Detailed invoices for transparency and a seamless customer experience.

Across the value chain, organized offline players have traditionally benefitted from having a lot more trust from the consumers. However, they have lagged in adoption of technology across all steps. Further, they struggle with heavy fixed costs of offline setups and fixed salaries of service professionals putting pressure on pricing in non-seasonal and low demand months.

Technology lies at the core of online full-stack home service platforms, driving efficiency and innovation across the value chain. Advanced algorithms and AI-powered systems enable precise demand-supply matching at a hyperlocal level, using real-time mapping of consumer and partner locations, schedules, and availability. Predictive analytics enhances operational efficiency by forecasting demand patterns, optimizing partner allocation, and reducing idle time for service professionals.

For consumers, technology ensures seamless service delivery through real-time updates, integrated communication tools, and personalized recommendations. Platforms analyze the data to refine services, address pain points, and improve customer satisfaction. By operating on an asset-light model, these platforms eliminate the need for offline setups and rely on job-based earnings for service professionals, enabling competitive pricing and scalability.

Local technicians providing home services rely on past experience for diagnostics and do not offer standardized spare part pricing. As compared to local technicians, online full-stack platforms use technology for diagnosis and standardized rate cards for parts and spares, minimizing instances of fleecing and ensuring the use of authentic products, thereby providing high reliability and long-term value to the consumer.

On the supply side, technology empowers service professionals with tools for streamlined operations, such as scheduling, route optimization, and instant payment systems, significantly improving their productivity and earning potential. Platforms also offer robust training modules and certifications, ensuring that partners deliver standardized and high-quality services. Performance monitoring through feedback and rating systems further incentivizes delivery excellence, fostering a culture of accountability and continuous improvement. Through this synergy of technology and process innovation, online full-stack platforms create a robust ecosystem that benefits both consumers and service professionals, driving trust, efficiency, and value creation at scale.

Similarly, there is a growing preference for service professionals towards online full stack platforms based on the following six key aspects:

Table 2. Comparison of unorganized, organized offline and online full stack platforms across 6 aspects for service professionals

○ Less favourable to service provider ● More favourable to service provider

Parameter	Offline Unorganised	Offline Organised	Online Full-Stack
Net Earnings	 ₹10-15k/month	 ₹15-25k/month	 ₹24-35k/month
Access to Consistent Demand	 Highly erratic, word-of-mouth	 Moderate, via organised channels	 High, driven by platform matching algorithms
Training & Upskilling	 Rarely available	 Limited, sporadic training	 Regular, structured programs
Products & Tools	 Self-procured, often substandard	 Standardised supply with mix of mid to high quality	 Standardised, high-quality supplies
Financing & Insurance	 Unavailable	 Limited options	 Accessible via platform partnerships
Career Growth	 Limited potential	 Moderate Progress	 Steady Growth

Source(s): Redseer Research, Redseer Analysis

The service professionals working in the unorganized set up face multiple challenges:

1. Lower and inconsistent earnings: The unorganized sector lacks a formal demand forecasting and supply balancing system, resulting in poor working hour utilization and inconsistent job and lead availability, resulting in overall lower earnings for offline professionals.

In the beauty space, most professionals are salaried and do not get a share in revenue. Salons operate with heavy fixed costs (rentals, maintenance etc.), which reduces the earnings for the service professionals. For instance, an offline beauty professional can earn between ₹12,000-21,000 per month after working between 8-10 hours six days a week with limited growth year on year. In contrast, online full stack platforms do not have to bear these fixed costs and can pass on these savings to service professionals leading to 60-70% higher earnings for these professionals while working fewer hours. Similar dynamics hold true for appliances repair and maintenance, where majority of the professionals are engaged with OEMs and on fixed salaries.

For services like cleaning, handymen, painting, cooking, childcare and elderly care, professionals rely on local leads to find customers, leading to inconsistent utilization, variable periods of unemployment and variability in monthly income. Online full stack platforms help them pack their calendars more efficiently, enhance skill levels through training, provide access to high quality tools and consumables at reasonable prices, and help them earn a dignified living well beyond minimum wages while working few hours. For example, for a cleaning professional, earnings in the offline segment are ₹15,000-20,000, compared to ₹25,000-30,000 on online full stack platforms.

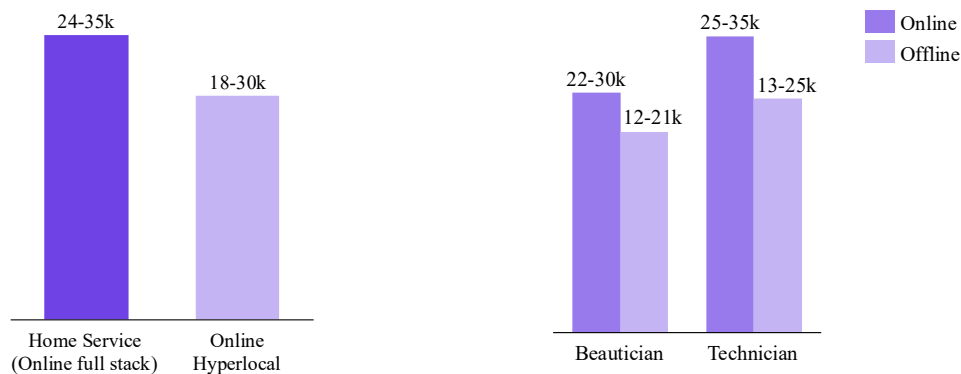
2. **No Access to Credit:** Many services professionals struggle to access formal credit systems due to the informal nature of their work. Many employers do not provide proof of earnings, and most credit systems do not acknowledge job-based earnings for credit. This lack of financial inclusion limits their ability to invest in tools, training, or expand their services. In contrast, online full stack platforms partner with third parties to provide access to credit for personal and professional needs, with loan repayments routed through the platform based on the professional's online earning. This documented proof of income enables easier access to credit for online service professionals.
3. **Limited Opportunities for Skill Upgradation:** The offline market typically lacks organized training programs or skill development opportunities. Service professionals may find it difficult to keep up with new techniques, technologies, or industry standards, potentially limiting their growth and earning potential.
4. **Lack of Respect and Professional Recognition:** Service professionals in the unorganized offline market often face challenges in terms of social status and professional recognition. The informal nature of their work can lead to a lack of respect from clients and society at large, impacting their self-esteem and job satisfaction.

In comparison, the organized offline sector solves for some of these challenges, especially providing consistent demand, some training and standardized product supply. Online full stack platforms, go a step further in providing consistent demand using demand matching algorithms, regular and structured training programs, high quality product supply and enabling access to credit. The home services sector in India has around 90-100 lakh semi-skilled professionals, including electricians, plumbers, carpenters, beauticians and cleaning personnels. However, the supply is scattered because many providers work independently, without proper organization or access to a larger customer base. Online platforms can solve this by bringing these professionals together in one place, helping them reach more customers, standardizing services, and making the process smoother. This creates a system that connects demand and supply more efficiently, benefiting both customers and service professionals.

Further, online full stack platforms provide the highest monthly net earning potential among other on demand platforms, ranging from ₹24,000 to ₹35,000, while those in online hyperlocal (quick commerce, food delivery, online mobility) earn between ₹18,000 and ₹30,000. Within home services, beauticians earn ₹12,000 to ₹21,000 in offline salons compared to ₹22,000 to ₹30,000 in online home services, while technicians earn ₹13,000 to ₹25,000 in the offline space, compared to ₹25,000-₹35,000 the same services provided through online full stack platforms.

Fig. 17a. Monthly net earnings¹ of service professionals across platforms
(FY2025, in ₹)

Fig. 17b. Online vs offline earnings among beautician and technicians
(FY2025, in ₹)



Note: 1. Net earnings = Gross earning – platform service fees – product cost – travel cost.
Source(s): Redseer Research, Redseer Analysis

The higher pay in home services can be attributed to the semi-skilled to high-skilled nature of these jobs, such as handymen, beauticians, and painters. These roles often require specialized expertise and training, justifying the increased compensation. Additionally, the on-demand nature of online full stack platforms results in higher earnings per hour compared to traditional offline jobs where workers may spend idle time waiting for customers in shops. For instance, an online beautician might earn ₹280-380 per hour, while their offline counterpart may only make ₹55-80 per hour due to periods of inactivity. These online full stack platforms also offer opportunities for career growth and skill training, enabling service professionals to increase their earnings potential over time. For example, a handyman could undergo additional training to specialize in more complex repairs, thereby commanding higher rates. Furthermore, the flexibility offered by these platforms allows service professionals to work fewer hours while still earning a competitive income.

To conclude, the online full stack platforms improve the experience of both customers as well as service professionals, resulting in increasing penetration of online home service in urban Indian households. Customers are increasingly seeking quick turnaround solutions where service professionals are well trained, knowledgeable and have requisite tools for the job, a demand that can be effectively met by online full stack players. The online market is set to witness robust growth as it capitalizes on key drivers like convenience, urbanization, and digital adoption, solidifying its position as the go-to solution for modern consumer needs. Such benefits have enabled online full stack platforms to reach ₹41-43 billion in FY2025 and projected to reach ₹105-110 billion by FY2030 growing at a CAGR of 18-22%.

Section 4: Synergy in Home Services and Appliances

Home services companies possess a unique advantage of potentially entering home appliances market, leveraging their extensive knowledge of product lifecycles and repair patterns, to innovate and create devices that solve consumer problems.

Rising demand for home care products such as water purifiers and electronic door locks presents additional market opportunities.

In addition to home services, the Indian market presents a compelling opportunity for home services companies to diversify into home appliances. These companies have a unique understanding of the lifecycle of key appliances and the issues associated with it beyond the initial sale. This provides an opportunity to venture into sale of appliances and devices, basis learnings from servicing and repairing at scale. This is especially true for specific products which require frequent maintenance and repair, warranting the need for innovation to reduce total cost of ownership. These products align seamlessly with the growing consumer focus on health, safety, and convenience in urban households. Together, these categories create a synergistic offering with home services by enhancing the value proposition for consumers seeking comprehensive home solutions.

The Indian market for water purifiers was valued at ₹47-50 billion (approximately US\$ 0.6 billion) in FY2023 and projected to grow at a CAGR of 16-18% by FY2025. The penetration of water purifiers in India was less than 10% in FY2023 and is significantly trailing other household appliances like air conditioners, refrigerators, televisions, and washing machines. Over the past few years, the water purifier category has seen some structural tailwinds driven by growing consumer concerns over health and water quality, driven by increasing awareness of waterborne diseases, wider availability of piped water connection and near-universal electrification. In India, water purifiers come in various types, including Reverse Osmosis (“RO”), Ultraviolet (“UV”), and Ultra Filtration (“UF”) systems, each catering to different water quality needs. With increasing concerns over water contamination and the cost of maintenance, there will be a higher demand for a high-quality RO water purifier with a lower lifetime cost of ownership, which is also easy to install and maintain, and is reasonably priced. Higher disposable incomes and advanced purification technologies have further boosted demand for water purifiers. However, the category faces a key consumer problem where servicing is required every 6-12 months for most water purifiers causing recurring inconvenience for users resulting in an opportunity to be addressed. Consequently, water purifiers are one of the few consumer appliances where the cumulative servicing cost over the product’s lifespan significantly exceeds the initial purchase price. Post-sale servicing capability is a critical factor for consumers when choosing a water purification device. Notably, home services players hold a competitive advantage in water purifier segment as the servicing experience is one of the key consideration factors for a consumer during product purchase. These players have a unique edge due to their extensive experience in repairs and services, allowing them to identify common issues and pain points in water purifiers. Through their hands-on experience, they can leverage insights into recurring problems such as filter clogging, membrane degradation, and performance inefficiencies. This knowledge enables them to innovate and design products that address these issues, potentially improving filter longevity, enhancing purification efficiency, and reducing maintenance frequency.

Fig. 18a. Water purifier TAM in India (FY2023, FY2025, FY2030P, in ₹ billions (US\$1 billions))

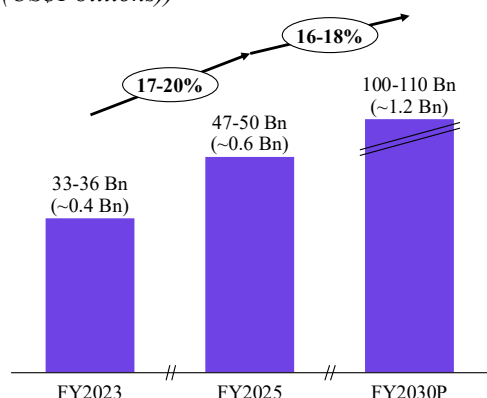
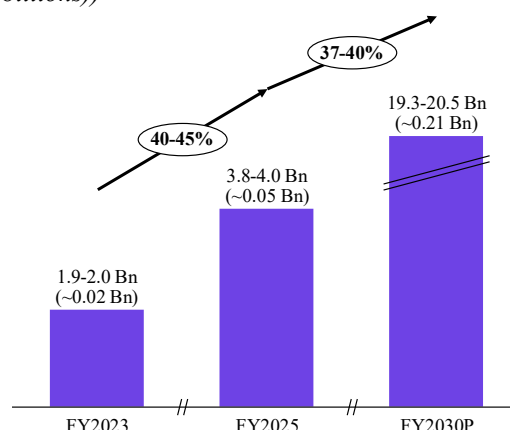


Fig. 18b. Electronic door locks TAM in India (FY2023, FY2025, FY2030P, in ₹ billions (US\$1 billions))



Note(s): 1. Conversion rate used: US\$ 1 = ₹85

Source(s): Redseer Research, Redseer Analysis

The electronic door lock category is an emerging category driven by consumer preference for convenience and safety by replacing traditional key with digital access methods like fingerprint, passcode and remote unlock. Their ability to provide remote access and customizable controls makes them a preferred choice for modern living.

In India, electronic locks remain at the nascent stage, with household penetration rate of less than 0.3% as of FY2023, far below markets like the United States (approximately 16%), China (approximately 18%), and the United Arab Emirates (“UAE”) (approximately 7%). The electronic door lock category is projected to grow rapidly at 37-40% per annum from FY2025 to become ₹19.3-20.5 billion (approximately US\$0.21 billion) market by FY2030P. Rising incomes, urbanization, and demand for premium security in apartments, luxury homes, and gated communities drive their adoption. Increasing integration with smart home ecosystems and residential builders offering electronic door locks in new projects, further boosts growth.

As India transitions toward connected living, electronic door locks are becoming an integral part of modern home security and convenience solutions. Given the high complexity involved in electronic door lock installation and consumers’ apprehension with quick after-sales service in case of an issue with the lock performance, home services players have a competitive advantage in this category.

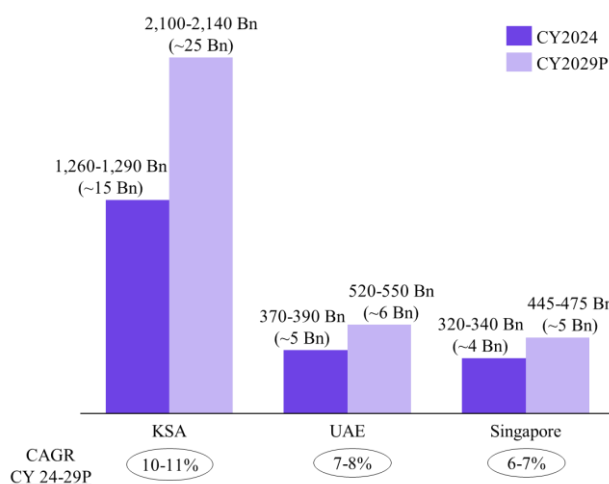
Section 5: Global Expansion for Home Services

Home service providers in India have significant opportunities to expand their offerings and market reach. The tech-based hyperlocal model established in India for online home services has significant potential for global expansion, particularly in countries with ‘Do-it-for-me’ cultures, offering opportunities to capture market share in regions with higher disposable incomes and willingness to pay for home services.

Economies like KSA, UAE, and Singapore offer lucrative opportunities for home service providers, driven by migration trends, high disposable incomes, and demand for standardized services

The tech-based hyperlocal model for online home services, once established in India, presents significant opportunities for expansion into global urban centers. This expansion potential is particularly promising in countries with a substantial Indian diaspora, where awareness of Indian players may already exist. Many international markets exhibit a ‘Do-it-for-me’ approach to home services, similar to Indian consumer behavior, where middle to high-income consumers are willing to pay for professional assistance rather than opting for a ‘Do-it-myself’ approach. Additionally, numerous international markets boast higher disposable incomes compared to India, potentially translating to increased spending on home services. These factors collectively create a favorable environment for Indian online home services platforms to enter new markets and capture market share, leveraging their established expertise and technological infrastructure.

Fig. 19. Home Services TAM¹ in KSA, UAE and Singapore (CY2024, CY2029, in ₹ billions (US\$² billions))



Note: 1. TAM for KSA, UAE and Singapore include common categories of beauty and wellness, daily and high frequency cleaning, appliances servicing and repairs, handymen, and professional cleaning. In addition, KSA and UAE TAM also include cooks, home painting, home renovation, on-demand cleaning and packers and movers. Singapore TAM also includes pet grooming. 2. Conversion rate: US\$ 1 = ₹85 Source(s): Redseer Research, Redseer Analysis

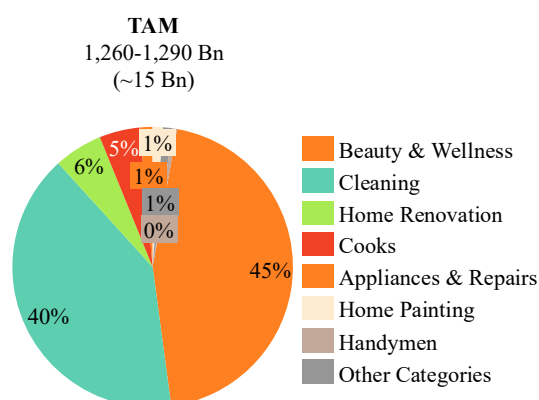
The home services sectors in regions like the Kingdom of Saudi Arabia (“KSA”), UAE, and Singapore, present a unique blend of challenges and opportunities driven by their distinct socio-economic landscapes. The home service market in the three countries totals ₹1,955-2,025 billion (approximately US\$ 23 billion) as of CY2024, with KSA being the largest market, followed by UAE and Singapore. These three markets are projected to grow at 9-10% CAGR till CY2029, with KSA growing the fastest at 10-11%, followed by UAE at 7-8% and Singapore at 6-7% in the same period.

These markets, characterized by high urbanization rates, expatriate-heavy populations, and high disposable incomes, showcase a growing demand for organized, professional home services. However, much like India, these regions often rely on fragmented service ecosystems dominated by informal providers, leading to inconsistencies in service quality, pricing, and accessibility. The adoption of digital platforms to bridge the gap between service professionals and consumers is steadily gaining traction, offering opportunities for standardization, skill enhancement, and fairer earnings for service professionals.

- 1. KSA has a ₹1,260-1,290 billion (approximately US\$ 15 billion) home services market as of CY2024, driven by beauty and wellness, and cleaning services**

The home services industry in KSA has a “do it for me” approach to home services and access to a large pool of service professionals seeking better earning opportunities. KSA is a key market for future growth due to similarities with the UAE and its overall market potential, which is projected to grow at a CAGR of 10-11% between CY2024 and CY2029. In KSA, beauty and wellness services represent the largest segment within the TAM, followed by cleaning services. Beauty services is a fast-growing category, driven by high demand for female grooming, with women often availing these services every 10–15 days to maintain personal care. Approximately 40% of households utilize cleaning services with a frequency of 2–3 times per week in CY2024. Payments for these services are typically made on an hourly basis, unlike India, where payments are predominantly monthly. Handyman services, while a niche category, is gaining traction and projected to grow at a robust CAGR of approximately 13% between CY2024 and CY2029P, supported by expanding residential infrastructure and a shift towards outsourcing skilled maintenance tasks for convenience and efficiency. The other categories (packers and movers) segment is primarily fueled by the expatriate population, while the movement of local residents remains minimal.

Fig. 20. Home Services TAM - KSA
(CY2024, in ₹ billions (US\$¹ billions))



Note(s): 1. Conversion rate: US\$ 1 = ₹85

Source(s): Redseer Research, Redseer Analysis

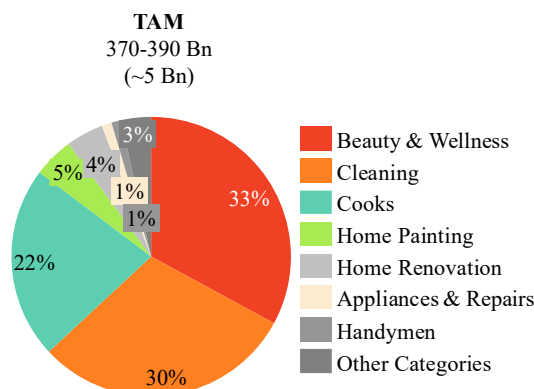
2. UAE has a ₹370-390 billion (approximately US\$ 5 billion) home services market as of CY2024, driven by beauty and wellness, cleaning, and cooks services

UAE is an attractive market with an affluent population and increasing appetite for quality driven services delivered at home. The home services industry in UAE is similar to the home services industry in India – there is a large Indian diaspora, a “do it for me” approach to home services and access to a large pool of service professionals seeking better earning opportunities. In the UAE, beauty and wellness services, along with cleaning services, account for 63% of the home services market, with cooks emerging as the next largest category in CY2024. Approximately 40-45% of households in the UAE have used online platforms to book home services in CY2024. The majority of these platforms work on a lead generation model where consumers are connected to relevant professionals/ business owners through the online platform, but the actual delivery of the service happens offline (example slot selection, pricing, invoicing are done offline via calls/ in person). Full stack players with end-to-end consumer journey online are a fast-growing part of the market and there is a significant opportunity for them to capture market share given the convenience and standardization they offer and consumer proficiency in using online services.

Usage patterns in cleaning services vary significantly between bachelors and families with children, with the former utilizing 1–2 services per week and the latter availing 4–5 services weekly. Consumer preferences for beauty services vary significantly among different segments of the population basis cultural norms and personal grooming habits. Spa services, a niche category, shows consistent demand, unaffected by nationality. Manicure and pedicure services, particularly nail art, are highly popular among locals, differing from the more basic nail cleaning commonly seen in India. The growth in home services category is primarily driven by population expansion and increasing online penetration, allowing new

digital platforms to expand the market, while complementing (rather than cannibalizing) existing competitors.

Fig. 21. Home Services TAM - UAE
(CY2024, in ₹ billions (US\$¹ billions))



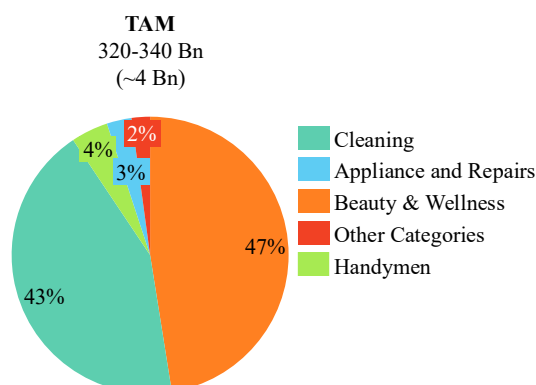
Note(s): 1. Conversion rate: US\$ 1 = ₹85

Source(s): Redseer Research, Redseer Analysis

3. Singapore has a ₹320-340 billion (approximately US\$ 4 billion) home services market as of CY2024, driven by beauty and wellness and cleaning services

In Singapore, approximately 85-90% of the market for home services is driven by beauty and wellness and part time maids, reflecting busy lifestyles and high disposable incomes of the country's population. High-frequency cleaning is particularly prominent, with service frequency ranging from 2-3 times a week, once every week, once every two weeks, or once a month, primarily driven by need, with other factors such as convenience and accessibility playing a more significant role than income levels. approximately 20-25% of consumers in Singapore have used online platforms to book home services in CY2024, highlighting a growing preference for digital convenience and presenting an opportunity for online players to further penetrate the market. Air conditioner servicing is typically conducted under annual contracts, with tenants often required to service units 3-4 times a year. Beauty services are highly specialized, with professionals focusing on specific areas of expertise, unlike India, where a single provider often handles multiple tasks. DIY solutions are declining as residents increasingly prioritize professional handymen for quick, reliable, and efficient household maintenance, reflecting a shift toward convenience and expertise.

Fig. 22. Home Services TAM - Singapore
(CY2024, in ₹ billions (US\$¹ billions))



Source(s): Redseer Research, Redseer Analysis

Section 6: Threats and Challenges

An online, full-stack home service platform aiming to expand across India and extend its geographical reach beyond India, may face the following challenges:

1. **Macro-economic conditions:** The home services industry is sensitive to broader economic conditions. Economic growth and stability lead to higher spending on discretionary services such as beauty and wellness and home renovation – these form a large part of the Target Addressable Market. Conversely, economic slowdowns or a recession could inversely impact consumption of home services.
2. **Competition:** Entry of newer players in the online home services space or expansion of offline organized players into online services continue to pose a threat to existing online home services platforms. Newer players offering services at lower prices (through discounting or business / operation model optimizations) can lead to user churn for existing platforms. Similarly new players offering higher incentives to service professionals can also lead to service professionals churn from existing platforms. Further, the current offline organized players expanding to online/ at-home services can command an increasing share on the back of their brand and trust with existing users.
3. **Innovations in the industry:** Innovations in product or service offering can lead to redundancy in the existing home services - for example, laser hair removal can make the current hair depilation methods redundant. Similarly, innovation by OEMs can reduce the need for servicing or repairs. If the current players do not keep up with innovations, it could inversely impact their growth and profitability.
4. **Changing consumer preferences:** New trends are emerging in online consumption across categories, for example the growing preference for instant availability and wider assortment. Existing platforms will have to continuously adapt to these preferences to stay relevant in the industry. Further, consumer preferences in tier 2+ cities are likely to be different from tier 1 cities. For example, the adoption of online services may be slower than that in the larger cities. Hence, as the current platforms see maturity in metros and expand to other parts of the country, they may not see growth acceleration as per expectations.
5. **Rising labor costs and managing service professionals:** Home services pricing is a direct function of the broader labor costs and demand supply dynamics. An increase in the service costs could lead to higher pricing, inversely impacting the demand for home services. Further, with scale, existing platforms may face growing issues related to gig workers, including concerns about working conditions, fair compensation, and rating systems. These challenges could lead to disruptions on the service professional side or attract regulatory attention, especially in the new international markets with different labor laws.
6. **Maintaining service quality at scale:** Expansion into newer geographies and categories requires strong processes and adherence mechanisms to ensure quality is maintained at scale. If existing platforms fail to develop or ensure adherence to these processes, quality of services can be impacted, leading to poor word of mouth and impact on brand reputation - eventually leading to slower growth.
7. **Off platform transactions:** It is critical for online platforms to maintain a strong value proposition for both the consumers and the service professionals. A drop in the value proposition - for example reduction in earnings of service providers or quality guarantee for consumers, can lead to existing service providers and consumers transacting offline by-passing the platform.

Section 7: Urban Company's currently serviceable market and competitive positioning

Urban Company has presence in 47 cities as of March 31, 2025 and has potential to expand up to the top 200 cities in India by FY2030. It offers a subset of the home services categories with current focus on mid to high-income households. This results in the serviceable addressable market ("SAM") for Urban Company at ₹1,770-1,850 billion (approximately US\$21 billion), which is 35-36% of the TAM as of FY2025.

In the serviceable markets, Urban Company aggressively competes with both the offline unorganized sector as well as the organized players with its comprehensive full-stack approach. Among online players, Urban Company is a digital home service platform in India.

A. Urban Company's SAM for home services in India's top 200 cities is worth ₹1,770–1,850 billion (approximately US\$ 21 billion) as of FY2025, primarily driven by middle and high-income consumers.

Urban Company's SAM, representing the segment of the TAM it can serve in India comprises the home services market, encompassing the categories it operates in, and serves middle-income households and above, with income over ₹5 lakhs per annum, within the top 200 Indian cities by population. The SAM consists of 53 million households in the top 200 cities that utilize home services (both online and offline).

The SAM was projected at ₹1,770-1,850 billion (approximately US\$ 21 billion) as of FY2025. The market exhibits a diverse portfolio of services, including beauty and wellness, daily and high-frequency cleaning, professional cleaning, handyman support, appliance servicing and repairs, among others. Cleaning and pest control services account for the largest share of the SAM, contributing approximately 42% to the market, followed by home painting, beauty and wellness, and handymen services. The serviceable addressable market for painting and home decor in the top 200 Indian cities was estimated between ₹470-490 billion (approximately US\$6 billion) for FY2025. This market is projected to grow at an annual rate of approximately 13% between FY2025 and FY2030P, with a relatively small number of organized participants currently operating within this market.

Fig. 23. Urban Company - India Home Services TAM¹-SAM comparison (FY2025, in ₹ billions)

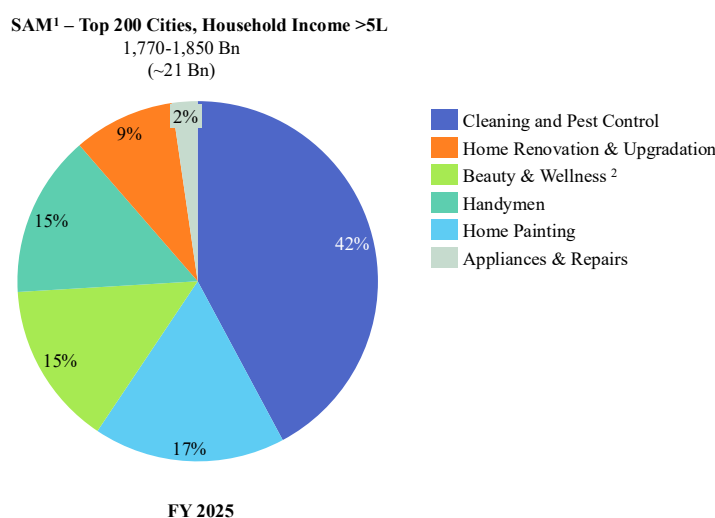
Categories	TAM FY 2025	Served by UC	SAM FY 2025
Cleaning and Pest Control	1000-1020	✓	750-770
Care at Home	830-845		
Home Renovation and Upgradation ¹	680-690	✓	160-170
Beauty & Wellness	580-600	✓	260-280
Handymen	560-570	✓	260-270

Categories	TAM FY 2025	Served by UC	SAM FY 2025
Home Painting	540-550	✓	310-320
Cooks	500-510		
Appliances & Repairs	160-165	✓	40-50
Other Categories	255-270		

Additional Opportunities	TAM FY 2025
Water Purifier	47-50
Electronic door locks	3.5-3.6

Note(s): 1. TAM includes both home renovation and upgradation while SAM includes only home upgradation, and not home renovation
Source(s): Redseer Research, Redseer Analysis

Fig. 24. Urban Company - India Home Services SAM¹ (FY2025, in ₹ billions (US\$ billions))

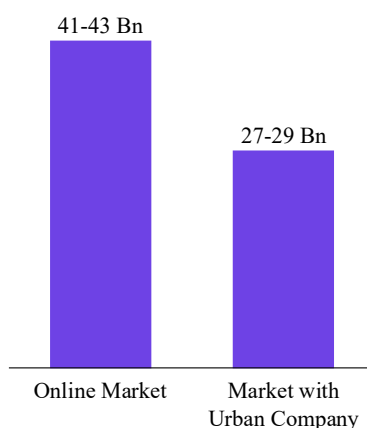


Note(s): 1. SAM represents households with annual income > ₹5 Lakhs in top 200 cities 2. Beauty and Wellness does not include treatments, 3. US\$ 1 = ₹ 85
Source(s): Redseer Research, Redseer Analysis

B. Urban Company is an online full stack home services solutions provider in India

In India, approximately 5.5-5.6 million households used online home services in FY2025. Among these, around 4 million households utilized services offered by Urban Company in the same period. Urban Company's annual household penetration in top 200 cities is approximately 7.8% in FY2025 and this represents a long-term growth opportunity. In FY2025, in terms of value, approximately ₹41-43 billion is spent by consumers online out of the total TAM of ₹5,100-5,210 billion (approximately US\$60 billion). In FY2025, approximately 38% of Urban Company's Serviceable Addressable Market exists in the top 8 cities in India and the remaining 62% exists in the following 192 cities. Urban Company's Service Addressable Market is 35-36% of the total addressable market in FY2025.

Fig. 25. India Home Services Online Market Split (FY2025, in ₹ billions)



Source(s): Redseer Research, Redseer Analysis

Urban Company has competition from other online platforms, however, many of these competitors tend to be more localized, focusing on specific geographical areas or service categories. Urban Company is the first full-stack online platform in India to bring 5+ home services categories online. Urban Company has been at the forefront of launching innovative products focused on standardizing and improving service quality such as jet pump for AC servicing, co-pilot for diagnosis of malfunctioning appliances and roll-on wax for more convenient and hygienic waxing, which have been widely adopted by the industry. Urban Company was among the first in India to introduce professional beauty services at home, eliminating rental and capital costs associated with physical salons, enhancing earning potential for service professionals, and offering greater value to consumers. Urban Company was India's highest-searched online home services full-stack platform brand on Google Trends between January 2024 and March 2025. On the service professional side as well, Urban Company offers a step jump in earnings alongside flexibility in time committed for service professionals. The service professionals associated with Urban Company, on average, earn 30-40% more than their peers who are not associated with any platform in FY2025. Further, the hours spent on a job by a service professional on Urban Company platform is 50-60% lower compared to the offline equivalent in FY2025. Urban Company's service professionals, on average, earned 15-20% more than gig workers on other online hyperlocal platforms in the food delivery and quick commerce sectors while working fewer hours in FY2025.

Urban Company's 'Native' RO water purifiers have the lowest total cost of ownership in FY2025 factoring in both initial purchase price at MRP and lifetime servicing costs, compared to all leading branded RO water purifier products with 8 liter tank capacity in India (assuming life of the water purifiers to be five years) where leading branded RO water purifiers are defined as companies with water purifier revenue more than ₹1,000 million in FY2025. Unlike the industry practice of replacing filters every 6 months, which contributes to significant waste, Urban Company reduces environmental waste by extending filter life to up to 2 years.

Conclusion

The home services market in India is estimated at ₹5,100-5,210 billion (approximately US\$60 billion) in FY2025 and is projected to increase at a CAGR of 10-11% to reach ₹8,400-8,580 billion (approximately US\$100 billion)



by FY2030. Indian home service providers have potential for global expansion, particularly in countries such as KSA, the UAE, and Singapore, which present lucrative opportunities. Urban Company is an online full-stack platform offering a range of home services, such as beauty services, home repairs, and upgrades, with operations primarily in India, as well as in KSA, UAE, and Singapore.

Annexure B

List of subsidiaries, joint venture, directors, promoters, promoter group, key managerial personnel, senior management personnel and selling shareholders

Directors:

- (1) Abhiraj Singh Bhal
- (2) Raghav Chandra
- (3) Varun Khaitan
- (4) Vamsi Krishna Duvvuri
- (5) Ashish Gupta
- (6) Ireena Vittal
- (7) Rajesh Gopinathan
- (8) Shyamal Mukherjee

Promoters:

- (1) Abhiraj Singh Bhal
- (2) Raghav Chandra; and
- (3) Varun Khaitan

Selling Shareholders:

- (1) Accel India IV (Mauritius) Limited;
- (2) Bessemer India Capital Holdings II Ltd;
- (3) Elevation Capital V Limited (*formerly known as SAIF Partners India V Limited*);
- (4) Internet Fund V Pte. Limited; and
- (5) VYC11 Limited

Members of the Promoter Group:

A. Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than the Promoters, are as follows:

Name of Promoter	Name of relative	Relationship
Abhiraj Singh Bhal	Ashok Bhal	Father
	Sunita Bhal	Mother
	Urvi Bharatkumar Ved	Spouse
	Shipra Bhal	Sister
	Ira Singh Bhal	Daughter
	Ved Bharatkumar Vithaldas	Father of the Spouse
	Ved Anjani Bharatkumar	Mother of the Spouse
	Anvi Ved	Sister of the Spouse
Raghav Chandra	Rohit Musaddi	Father
	Perna Musaddi	Mother

Name of Promoter	Name of relative	Relationship
	Pankhuri Kanwar	Spouse
	Rhea Chandra	Sister
	Deepak Kanwar	Father of the Spouse
	Neeta Kanwar	Mother of the Spouse
	Palash Kanwar	Brother of the Spouse
Varun Khaitan	Narendra Khaitan	Father
	Sarita Khaitan	Mother
	Manali Singh	Spouse
	Radhika Dudhewala	Sister
	Dev Khaitan	Son
	Har Sharan Singh	Father of the Spouse
	Raj Kumari Singh	Mother of the Spouse
	Deepa Shah	Sister of the Spouse
	Roopa Shah	Sister of the Spouse
	Monika Singh	Sister of the Spouse

B. Entities forming part of the Promoter Group

The entities forming part of the Promoter Group are as follows:

- Abhiraj Singh Bhal Family Trust;
- Ascent Eduvision Private Limited;
- Deepak Kanwar & Sons HUF.
- Dreamy Atoms Consumer Private Limited;
- Jai Balaji Packaging;
- Kanwar Nursing Home Private Limited;
- Raghav Chandra Musaddi Trust;
- Rohit Musaddi HUF;
- Shyam Sunder Kanwar & Sons HUF; and
- Varun Khaitan Family Trust.

Subsidiaries:

- (1) Handy Home Solutions Private Limited;
- (2) Urban Home Experts Pte. Limited;
- (3) Urban Company Arabia for Informational Technology;
- (4) Urbanclap Technologies DMCC;
- (5) Urban Company Technologies Onshore LLC; and
- (6) Urban Company Technologies, Inc.

Joint Venture:

- (1) Company WAED Khadmat Al-Munzal for Marketing



Key Managerial Personnel:

- (1) Abhiraj Singh Bhal;
- (2) Raghav Chandra;
- (3) Varun Khaitan;
- (4) Abhay Krishna Mathur; and
- (5) Sonali Singh

Senior Management Personnel;

- (1) Mukund Kulashekaran;
- (2) Neha Mathur;
- (3) Kanav Arora;
- (4) Richa Mohanty Rao;
- (5) Rahul Teotia; and
- (6) Nitesh Agarwal