
MERA VAKIL AI
Legal & Compliance, Made Simple.

MV

Mera Vakil AI

India's AI Legal & Compliance Workspace

A Detailed Project Report for prospective investors covering the market opportunity, product, go-to-market plan, regulatory framework, project cost, means of finance, five-year financial projections, risk analysis and the proposed investment.

₹40 L	₹150 L	Month 10	₹22 Cr
Phase 1 seed equity sought	Year 1 revenue target	Operational break-even	Year 5 revenue target

PROMOTER
Rakesh Chander Joshi, Founder & Director

REGISTERED BASE
New Delhi (Delhi-NCR)

TOTAL PROJECT OUTLAY
₹150 lakh in two phases

DATE
October 2026 · Version 1.0

Strictly private and confidential. Not an offer of securities to the public.

Contents

1	Executive Summary	03
2	Investment Highlights & Project at a Glance	04
3	The Problem	05
4	Why Now	06
5	The Solution	07
6	Product Roadmap & Technology Architecture	08
7	Target Customers	09
8	Market Size & Opportunity	10
9	Business Model & Pricing	11
10	Competitive Landscape	12
11	Customer Value & Validation Plan	13
12	Go-to-Market Strategy	14
13	Competitive Moat, Data Security & IP	15
14	Regulatory & Legal Framework	16
15	Management & Organisation	17
16	Implementation Schedule	18
17	Project Cost & Means of Finance	19
18	Key Assumptions & Revenue Build-up	20
19	Projected Profit & Loss	21
20	Cash Flow, Balance Sheet & Ratios	22
21	Unit Economics, Break-even & Sensitivity	23
22	Risk Analysis & Mitigation	24
23	Investment Proposal & Conclusion	25

Basis of preparation

This report is prepared from the Mera Vakil AI investor presentation (Seed Round 2026), public government data (Ministry of MSME Udyam dashboard, Rajya Sabha replies), the SARAL Survey 2025 with Vidhi Centre for Legal Policy, and competitor websites as of October 2026. Year 1 is FY 2026–27. All amounts are in Indian Rupees; **₹ L** = lakh, **₹ Cr** = crore.

Important notice

Projections are management estimates and forward-looking. Actual results may differ materially. This report does not constitute an offer or solicitation to the public. Investors should conduct independent due diligence and take their own legal, tax and financial advice before investing.

Executive summary

Mera Vakil AI is building India's AI-first legal and compliance workspace for MSMEs, traders, start-ups and individuals. One multilingual app takes a user from a legal need to a finished, signed and stored document — drafting, registrations, compliance alerts, e-stamp, e-sign and on-call experts — at 70–80% lower cost than offline alternatives.

₹40 L
Phase 1 seed equity sought

₹1.5 Cr
Year 1 revenue (FY27)

M10
Monthly break-even

₹22 Cr
Year 5 revenue at 31.2% EBITDA

The opportunity

84.5% of Indians surveyed struggle to understand legal texts (SARAL Survey 2025). India has **9.67 crore** formalised MSMEs and informal micro enterprises — about 80% in trading and services — and new registrations rose from 0.28 crore (FY21) to 2.49 crore (FY24). We size a **₹27,600 Cr** addressable market; our eight priority markets hold a **₹15,400 Cr** serviceable market.

The product

AI drafting of 300+ verified documents, a plain-language legal assistant in Hindi, English and regional languages, a free compliance calendar with WhatsApp alerts, company/GST/Udyam/FSSAI/trademark registrations, integrated e-stamp and Aadhaar e-sign, an encrypted vault and on-demand advocates, CAs and CSs.

The model

Freemium entry with five revenue streams: subscriptions (₹299–₹2,499/month), pay-per-document, registrations & compliance, Expert Connect fees and B2B/API licensing.

Financial summary (₹ lakh)

	Y1	Y2	Y3	Y4	Y5
Revenue	150	360	750	1,350	2,200
Gross margin	60.3%	66.3%	71.3%	71.3%	71.3%
EBITDA	(17.5)	35.7	176.8	380.5	685.6
PAT	(21.5)	22.0	129.6	273.3	499.2
Paying customers	3,000	9,500	24,000	48,000	82,000

The ask

₹40 lakh Phase 1 seed equity funds product, a 10-member launch team and Delhi-NCR launch through break-even at Month 10; cash never falls below ≈ ₹13.9 L. A **₹110 lakh Phase 2** round (Months 13–18) funds Hindi-belt expansion, B2B/API and six languages. Total outlay: **₹150 lakh**, fully equity-funded and debt-free.

Investor view. The Year-5 target needs only about 1 in 1,000 MSMEs in our priority markets, LTV:CAC improves from 6.0x to 7.1x, CAC payback is 4.0 months, and the business is EBITDA-positive from Year 2.

Investment highlights & project at a glance

01 **Large, government-verified market**
9.67 Cr MSMEs; ₹27,600 Cr TAM built bottom-up from official Udyam data.

02 **Structural tailwinds**
Aadhaar e-KYC, e-sign, DigiLocker, UPI, GSTN and MCA V3 enable fully digital workflows.

03 **End-to-end, not point solution**
Drafting → expert → e-stamp/e-sign → vault in one app; competitors cover pieces.

04 **Vernacular-first**
Hindi and regional languages from Day 1; 8+ languages by Year 2.

05 **Price leadership**
Pvt Ltd set-up at ₹6,929 vs ₹7,999 at the closest rival, with three tools free.

06 **Capital-efficient**
Break-even at Month 10 on ₹40 L; EBITDA-positive from Year 2.

07 **Strong unit economics**
₹1,000 CAC, 4.0-month payback, LTV:CAC 6.0x rising to 7.1x.

08 **Milestone-linked capital**
Funds in a dedicated account, released monthly against milestones with MIS.

Project at a glance

Particular	Details
Project	Mera Vakil AI — AI legal & compliance workspace (web, Android, iOS, WhatsApp)
Promoter	Rakesh Chander Joshi, Founder & Director — 30+ years in retail management and P&L
Proposed entity	Private limited company (DPIIT start-up recognition to be sought)
Headquarters / launch market	New Delhi · Delhi-NCR (19.56 lakh MSMEs)
Target customers	MSMEs & traders, start-ups, individuals & landlords, CAs/CSs/HR; enterprises from Year 2
Total project outlay	₹150 lakh — Phase 1 ₹40 L (Months 0–12) + Phase 2 ₹110 L (Months 13–30)
Means of finance	100% equity; no term debt or working-capital borrowing
Key milestones	MVP M3 · 25,000 users M6 · break-even M10 · ₹1.5 Cr revenue M12 · B2B/API M18
Employment	Launch team of 10, growing to about 70 by Year 5
Year 5 outcome	₹22 Cr revenue · ₹6.86 Cr EBITDA · ₹4.99 Cr PAT · 82,000 paying customers

Most Indians cannot understand the law that governs them

Every agreement, registration or notice forces a small trader to find someone, pay whatever is asked and wait for days. The problem is cost, fragmentation, language and missed deadlines — together.

₹1,500–₹10,000

Expensive

Offline drafting and advice per task — out of reach for most micro businesses and individuals.

4–5 vendors

Fragmented

Drafting, e-stamping, registration and expert help sit with different providers.

English-only

Excluding

Most legal content shuts out people comfortable in Hindi or regional languages.

Late fees

Penalty-prone

Small businesses miss GST, TDS, ROC and labour-law deadlines and pay penalties.



THE LEGAL TIMES — LEGAL & POLICY

ACCESS TO JUSTICE IN INDIA

SARAL dialogue with Ex-CJI D.Y. Chandrachud: 84.5% Indians struggle to understand legal texts

84.5%

Coverage of the SARAL "Making the Law SARAL" dialogue, New Delhi, 25 February 2025.

84.5%

of Indians surveyed struggle to understand legal texts

SARAL (Society for Affordable Redressal of Access to Justice), with Vidhi Centre for Legal Policy, ran India's first survey on simplicity in law. Its findings were released at a dialogue with former CJI D.Y. Chandrachud. Of its seven key concerns, Mera Vakil AI directly addresses five:

- Legal documents are not understandable
- Low access to quality legal support outside big cities
- Over-reliance on intermediaries
- Digital and language divide
- No single trusted source

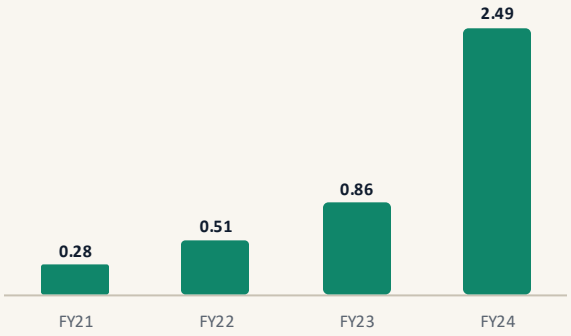
Source: SARAL Survey Findings 2025, Vidhi Centre for Legal Policy (vidhilegalpolicy.in).

The digital rails are ready and MSMEs are formalising fast

Every enabling layer now exists. What India lacks is one simple, affordable, multilingual workspace on top of it.

New MSME registrations per year (crore)

Udyam + Udyam Assist · growth +81%, +67%, +191% year on year



Source: Ministry of MSME, Rajya Sabha reply. FY25 excluded — data only to 31 Jul 2024 (0.63 Cr).

Digital rails

Aadhaar e-KYC, e-sign, DigiLocker, UPI, GSTN and MCA V3 make end-to-end digital legal workflows possible for the first time.

Affordable AI

Large language models now draft Indian legal text, including Hindi, at very low marginal cost — making ₹99 documents economically viable.

Mobile-first India

Hundreds of millions of Indians already transact online and trust app-based services for payments, tax and commerce.

MSME formalisation

The Udyam portal (July 2020) and Udyam Assist (January 2023) bring crores of small businesses into the compliance net every year — each a new buyer of registrations and compliance.

Implication for investors

Demand creation is policy-driven

Formalisation, GST and e-invoicing push MSMEs into recurring compliance obligations, independent of our marketing spend.

Cost to serve has collapsed

AI lets a single platform serve a ₹299 customer profitably, a segment offline professionals cannot reach.

Window to build the default brand

No player yet combines AI, vernacular, registrations and e-sign; the first trusted brand captures the habit loop.

One workspace, from legal need to done

The whole journey sits in one product: a user states a legal need, the AI builds a verified document, an expert checks it where needed, it is executed through e-stamp and e-sign, and it lives in the vault with renewal reminders.

Legal need → AI → Verified document → Expert → Execution → Vault

Eight integrated modules

AI Drafting
300+ documents drafted in minutes, customised to each user

Verified Library
Professionally reviewed formats aligned to current law

AI Legal Assistant
Plain answers in Hindi, English and regional languages

Compliance Tracker
GST, TDS and ROC dates with WhatsApp alerts

Registrations
Company, GST, Udyam, FSSAI and trademark

E-stamp & E-sign
Aadhaar e-sign plus an encrypted document vault

Expert Connect
Verified advocates, CAs and CSs on call

AI Document Review
A risk summary before you sign anything

User journey — five steps, about ten minutes

01
Describe the need
Type or speak in Hindi, English or your language

02
AI asks questions
A guided chat collects parties, terms and details

03
Draft, explained
Verified format with every clause in plain words

04
Expert review
One tap for a verified professional to check it

05
Sign and store
E-stamp, e-sign, share and get renewal reminders

10 min	70–80%	8+	1 app
Average time to a first draft	Lower cost than offline	Indian languages by Year 2	Drafting to e-sign to storage

Why it wins. Unlike template sites, it customises every document; unlike generic chatbots, it is grounded in verified Indian law; unlike lawyer portals, it resolves most routine needs without a paid consultation — while escalating complex matters to a human expert.

Product roadmap & technology architecture

Release roadmap

Release	Timing	Scope
v1.0	Month 3	AI drafting (100 documents), Hindi & English Q&A, assisted registrations
v2.0	Months 6–9	Android & iOS apps, e-stamp & e-sign, vault, compliance calendar, 3 languages
v3.0	Months 10–18	AI contract review, professional workspace, WhatsApp assistant, 6 languages
v4.0	Months 19–30	B2B APIs, white-label, enterprise dashboards, voice, 8+ languages

Technology stack

Experience	Web, Android and iOS apps; WhatsApp assistant; voice input (v4)
AI engine	Leading LLMs with retrieval-augmented generation (RAG) over a verified Indian legal corpus; Indic-language models
Knowledge	Versioned template & clause library, state-wise rules (stamp duty, rent, labour), vector search
Workflow	Orders, service tracking, expert scheduling, UPI payments, CRM, partner portal
Integrations	E-stamp, Aadhaar e-sign, DigiLocker, GSTN and MCA status APIs
Security	AES-256 encryption at rest, TLS in transit, India-region hosting, DPDP-aligned consent management

Quality controls on legal output

Grounded generation

The AI drafts only from verified, versioned clauses; free-form generation is constrained and cited.

Human-in-the-loop

Every template and clause is reviewed by qualified professionals; complex matters always escalate to an expert.

Continuous learning

Corrections, expert edits and usage data improve templates and prompts with every document produced.

9.67 crore MSMEs, and 80% of them trade or sell services

9.67 Cr
Formalised MSMEs & informal micro enterprises

5.38 Cr
Udyam registrations

4.30 Cr
Udyam Assist registrations

~80%
Trading and services — our core

MSMEs by activity



Trading · 4.05 Cr | Services · 3.72 Cr | Manufacturing · 1.91 Cr

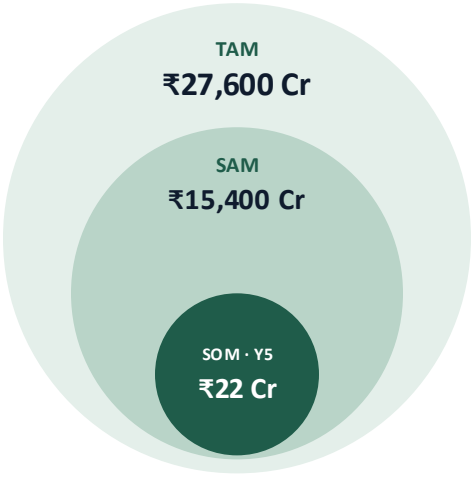
Source: Ministry of MSME Udyam dashboard as of 27 Sep 2026; totals 99.97% due to rounding.

Customer segments

Segment	Core needs	Entry product	Monetisation
MSMEs & traders	GST, Udyam, FSSAI, rent and supply agreements, compliance dates	Free calendar, ₹99 documents	Business plan ₹2,499/m, registrations
Start-ups	Incorporation, founders' agreements, ESOP, NDAs, ROC filings	₹6,999 set-up bundle	Business plan, annual compliance
Individuals & landlords	Rent agreements, affidavits, wills, notices, POAs	3 free AI drafts	Basic plan ₹299/m, pay-per-document
CAs, CSs & HR	Volume drafting, client compliance, review	Professional trial	Professional plan ₹999/m
Enterprises (Year 2+)	Contract workflows, vendor documents, API access	Pilot	B2B / API licence, white-label

Why traders and service firms first. Their daily pain is documents, registrations and compliance; they are under-served by lawyers, price-sensitive, and comfortable on WhatsApp and UPI — exactly the profile an AI-first, vernacular product serves best.

A ₹27,600 Cr market, sized from government data



Layer	Method	₹ Cr
TAM — running MSMEs	9.67 Cr MSMEs × ₹2,100 annual compliance spend	20,300
TAM — new MSMEs	~1.04 Cr new registrations/yr × ₹6,999 set-up bundle	7,300
TAM total		27,600
SAM	8 priority markets: 5.41 Cr MSMEs (56% of base)	15,400
SOM (Year 5)	0.14% of SAM via digital, partner and B2B channels	22

₹6,999 = core company set-up bundle (itemised on page 13). ₹2,100 = 30% of it, a running MSME's yearly spend (management estimate). New registrations = FY21–FY24 average.

Bottom-up check: ₹22 Cr needs only 1 in 1,000 MSMEs

Customer segment	Revenue share	Price / customer	Customers needed	Revenue
Running MSMEs · yearly compliance	30%	₹2,100	31,433	₹6.6 Cr
New MSMEs · set-up bundle	70%	₹6,999	22,003	₹15.4 Cr
Total	**100%**	**₹4,117 blended**	**53,436**	**₹22.0 Cr**

0.1%
of 5.41 Cr MSMEs in our 8 markets

0.4%
of ~58 lakh new registrations a year there

₹4,117
blended revenue per customer

Stress test, not the plan. This assumes all Year-5 revenue comes from set-up and compliance alone. The full plan adds SaaS, documents, Expert Connect and B2B — so the penetration actually required is lower still.

Sources: Ministry of MSME Udyam dashboard (27 Sep 2026); Rajya Sabha reply. Per-MSME spend is a management estimate based on itemised pricing.

Freemium entry, five ways to earn

Revenue streams

Stream	Indicative pricing
Subscriptions (SaaS)	₹299–₹2,499 / month
Pay-per-document	₹99–₹999 / document
Compliance & registrations	₹999–₹9,999 + govt. fees
Expert Connect fee	₹199–₹499 / session
B2B / API & white-label	Per-call or annual licence

Subscription plans (monthly)

FREE
₹0
3 AI drafts a month, Q&A, compliance calendar

BASIC
₹299
Individuals · 15 drafts, unlimited Q&A

PROFESSIONAL
₹999
CAs & freelancers · unlimited drafts, AI review

BUSINESS
₹2,499
MSMEs & start-ups · multi-user, priority experts

Annual plans at about two months' discount · Enterprise / API on custom terms · company set-up bundle ₹6,999.

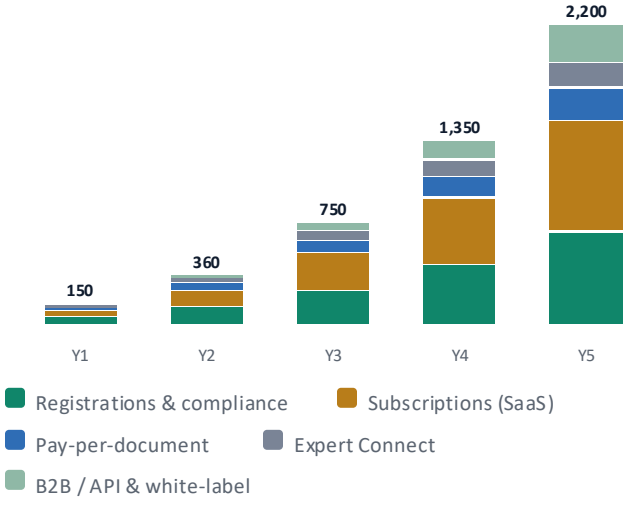
How the model compounds

Acquire free
The free tier and compliance calendar attract users at low cost through SEO, WhatsApp and trader associations.

Convert on need
Registrations and urgent documents convert fastest — 40% of Year-1 revenue — at 10–12% free-to-paid.

Retain on habit
The calendar, vault and renewal reminders keep customers returning, driving 65%+ annual renewal and upgrades.

Revenue mix over five years (₹ lakh)



Stream	Y1	Y3	Y5	Y5 share
Registrations & compliance	60	250	680	31%
Subscriptions (SaaS)	45	270	820	37%
Pay-per-document	30	100	240	11%
Expert Connect	15	70	190	9%
B2B / API & white-label	0	60	270	12%
Total	**150**	**750**	**2,200**	**100%**

Recurring SaaS and B2B grow from 30% of revenue in Year 1 to 50% by Year 5, improving revenue quality and visibility.

The only AI-first, multilingual, end-to-end workspace

Parameter	Mera Vakil AI	Online Legal India	LegalDesk	Lawyer marketplaces	Generic AI chatbots
AI-powered drafting	● **Core**	○ CA/CS-led	◐ Templates (200+)	○ No	◐ Unverified
Verified Indian formats	● **Yes**	● Yes	● Yes	○ No	○ No
Hindi & regional languages	● **8+ by Y2**	◐ Limited	◐ Limited	◐ Limited	◐ Partial
Company, GST & MSME set-up	● **Yes**	● Core	◐ Limited	◐ Some	○ No
Compliance calendar	● **Free, built-in**	◐ Paid plans	○ No	○ No	○ No
E-stamp & e-sign	● **Integrated**	◐ Partial	◐ Stamp-paper delivery	○ No	○ No
Expert access	● **Advocates, CAs, CSs**	◐ CAs / CSs	○ No legal advice	● Yes	○ No
Pvt Ltd set-up price	**₹6,929**	₹7,999	–	Varies	–

● = core offering · ◐ = partial / limited · ○ = not offered. Competitor details from public websites, October 2026.

Competitor positioning

Online Legal India

CA/CS-led company registration and filing packages: Start Up ₹2,999, Basic ₹7,999, Smart ₹16,999, Mega ₹29,999. Strong in registrations; no AI drafting and limited vernacular.

LegalDesk

200+ legal document templates with stamp-paper print-and-deliver; states that it provides no legal advice. Template-first rather than AI-customised.

Lawyer marketplaces

Consultation-first and priced per lawyer — suited to disputes, expensive for routine documents and compliance.

Generic AI chatbots

Fast and free, but not grounded in verified Indian formats, state stamp rules or execution (e-stamp, e-sign, filing).

Investor takeaway. Incumbents own single steps of the journey. Mera Vakil AI's defensibility comes from combining all of them — AI, verified formats, vernacular, registrations, execution and experts — in one low-cost app with built-in retention hooks.

Same company set-up, ₹1,070 less, three tools free

Pvt Ltd set-up	Online Legal India · Basic	Mera Vakil AI
Incorporation · MOA, AOA, DIN, CIN	In ₹7,999 package	₹3,499
DSC for 2 directors	Separate, as applicable	₹1,500
PAN + TAN	Included	₹133
GST registration	Included	₹999
Udyam / MSME registration	Not listed	₹299
Board resolution, auditor, INC-20A	Included	Included
Current-account assistance	Smart plan (₹16,999)	₹499
Digital e-locker · 1 year	Not listed	Free
Compliance calendar · 1 year	Not listed	Free
AI legal-document access	Not listed	Free
Total	**₹7,999**	**₹6,929**

Mera Vakil AI proposed pricing; competitor: onlinelegalindia.com, Oct 2026. Final price varies by structure; modelled as a ₹6,999 bundle.

13% lower

₹6,929 vs ₹7,999 for the Basic package

59% lower

than the ₹16,999 Smart plan, the first to add current-account help

3 free tools

E-locker, compliance calendar and AI documents keep customers coming back

Validation: evidence of demand and the plan to prove capture

Evidence	Signal
84.5%	Indians struggle to understand legal texts (SARAL 2025)
2.49 Cr	New MSMEs registered in FY 2023–24 alone
₹7,999	Customers already pay this for a basic online set-up — willingness to pay exists
30+ yrs	Founder's hands-on retail and trader network for first customers

When	Validation checkpoint
M0–2	100 verified templates; assisted pilots with Delhi-NCR trader associations and CA/CS partners
M3	MVP live · first 500 paying customers
M6	25,000 registered users · 10–12% free-to-paid · ₹1,000 CAC
M12	3,000 paying customers · ₹1.5 Cr revenue · 4.5/5 satisfaction

Stage disclosure. The company is pre-launch. Each checkpoint above is tied to a Phase-1 fund release, so investors see proof of capture before larger capital is committed. Pilot results, LOIs and waitlist data will be added to this report as they become available.

Delhi-NCR first, then the Hindi belt, then India

Eight priority markets

	Market	MSMEs	Why we prioritise
1	Delhi-NCR	19.56 L	HQ & launch; traders, start-ups, CAs
2	Maharashtra	1.22 Cr	Largest MSME base; Mumbai + Pune
3	Uttar Pradesh	1.12 Cr	Hindi-speaking; Noida to Kanpur
4	West Bengal	65.31 L	Trading & micro-business; Kolkata
5	Madhya Pradesh	59.09 L	Indore, Bhopal, Jabalpur clusters
6	Rajasthan	56.47 L	Trading, manufacturing, tourism
7	Gujarat	52.26 L	Manufacturing & export; Surat
8	Bihar	54.26 L	Hindi-speaking; Patna & Tier-2
	Total	**5.41 Cr**	**56% of India's MSMEs**

MSME counts: Ministry of MSME Udyam dashboard.

Phased roll-out

MONTHS 1–6 · LAUNCH

Delhi-NCR

Assisted services, Hindi/English SEO, WhatsApp, trader associations

MONTHS 7–18 · EXPAND

North & Central · Hindi belt

Performance marketing, CA/CS partners, referral credits

MONTHS 19–36 · SCALE

Pan-India · 8+ languages

B2B/API, banks & fintechs, enterprise sales

Acquisition engines and retention hooks

Organic

Hindi and English SEO on high-intent searches (rent agreement, GST registration, affidavit); WhatsApp assistant and referral credits.

Partner-led

Trader associations, CA/CS partner loop with revenue share, and bank & fintech alliances bundling set-up and compliance.

Retention

Compliance calendar, document vault and renewal reminders turn one-time buyers into subscribers.

25,000
Registered users by Year 1

10–12%
Free-to-paid conversion

₹1,000
Blended CAC, Year 1

65%+
Annual renewal target

Competitive moat, data security & intellectual property

Five differentiators

Verified legal corpus

A versioned, professionally reviewed clause and template library that improves with every document produced — hard to replicate quickly.

Vernacular-first

Hindi and regional languages from Day 1, reaching the majority that English-only platforms exclude.

AI + human hybrid

Expert accuracy at software cost: AI handles routine work, professionals review where it matters.

End-to-end in one app

Draft, e-stamp, e-sign and vault, priced below rivals — high switching cost once documents live in the vault.

Founder-led MSME access

High-trust trader networks built over 30+ years give a low-cost path to first customers.

Data security & privacy

- AES-256 encryption at rest and TLS in transit
- India-region cloud hosting; data localisation by design
- DPDP Act-aligned consent, purpose limitation and data-principal rights
- Role-based access, audit logs and periodic penetration testing
- Aadhaar used only through licensed e-sign / e-KYC service providers

Intellectual property

- Trademark filing for “Mera Vakil AI” name and marks in Phase 1
- Proprietary template library, clause graph and prompts as trade secrets
- All code and content assigned to the company by employees and vendors
- Domain, app-store listings and social handles held by the company
- ₹3 L of Phase 1 reserved for IP, compliance and contingency

Investor relevance. In legal-tech, trust is the moat. Every clause is reviewed by qualified professionals, and an independent legal opinion on the platform model is commissioned in Phase 1 before scale-up.

Regulatory & legal framework

The platform is designed as a technology and documentation service that connects users with independent professionals — not as a law firm. The framework below is reviewed by independent counsel in Phase 1.

Law / regulation	Relevance	Our approach
Advocates Act, 1961 & Bar Council of India Rules	Only enrolled advocates may practise law; advocates may not solicit or advertise work	Platform does not practise law; advocates join as independent professionals; no advocate ranking or solicitation; fees set transparently
Digital Personal Data Protection Act, 2023	Processing of personal data, consent, breach reporting	Consent manager, purpose limitation, India hosting, grievance officer, breach response plan
Information Technology Act, 2000 & IT Rules	Intermediary obligations; legal validity of e-signatures	Aadhaar e-sign through licensed ESPs; intermediary due-diligence and grievance redressal
Indian Stamp Act & state stamp laws	Stamp duty on agreements varies by state	State-wise duty rules in the knowledge layer; e-stamping through authorised channels
Companies Act, 2013 & LLP Act	Incorporation and ROC filings for customers	Filings prepared and certified by empanelled CAs/CSs through MCA V3
Consumer Protection Act, 2019 & E-Commerce Rules	Fair pricing, disclosures, refunds	Clear disclaimers, transparent pricing, refund and grievance policy
GST law	Tax on platform services and expert fees	GST registration, invoicing and correct treatment of pass-through government fees
Aadhaar Act & UIDAI regulations	Use of Aadhaar for e-KYC and e-sign	Only via licensed AUA/KUA and ESP partners; no storage of Aadhaar numbers

Phase 1 independent legal opinion will cover

Platform structure, the advocate interaction and Expert Connect model, and the fee structure

Bar Council advertising restrictions, disclaimers and document-generation liability

DPDP data and privacy architecture and the e-sign / e-stamp model

Led by 30 years of hands-on management

RJ

Rakesh Chander Joshi

Founder & Director

Executive MBA, National Institute of Management (A grade, 2010). 30+ years in retail management, team leadership, customer operations, vendor management and P&L.

Leads strategy, partnerships, finance and the MSME and trader go-to-market. Knows first-hand the compliance pain of the traders the company serves.

Key hires planned

Role	Timing	Mandate
CTO / Head of AI	Months 0–3	Platform, AI engine, security, integrations
Head of Legal Content	Months 3–6	Template library, expert panel, quality
Growth Marketing Lead	Months 6–9	SEO, performance, partner programmes
Advisory board	Phase 1	An advocate, a CA and a technology leader

Launch team of 10

In-house: technology, AI/ML, legal content and customer success. Specialist partners: CA/CS, app & UI, cloud and marketing.

Manpower plan

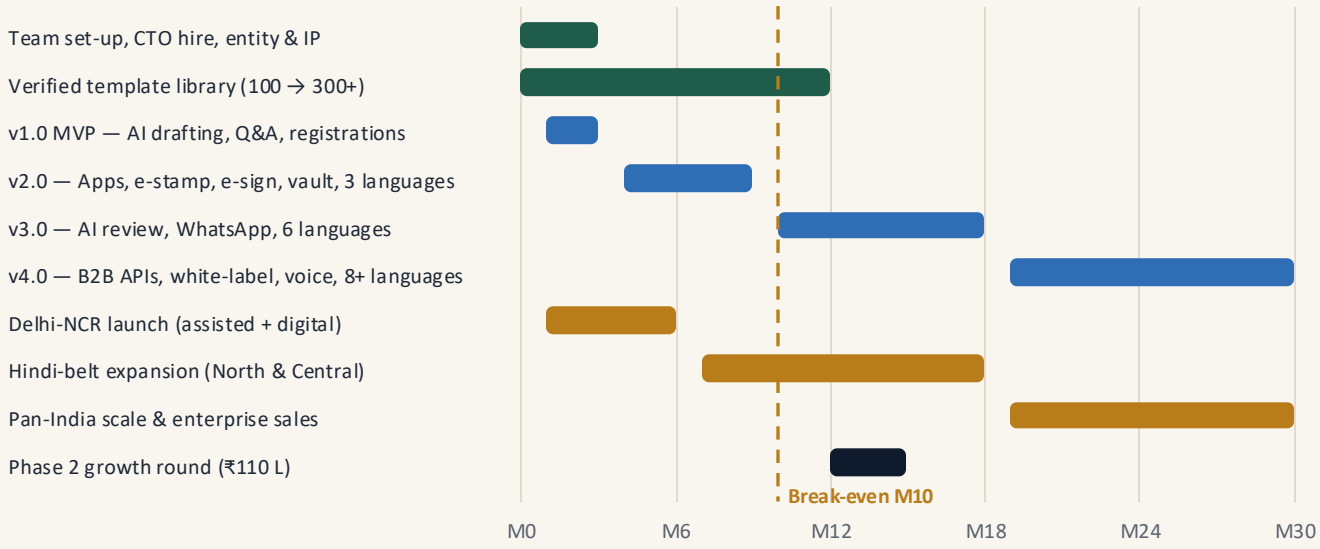
Function	Y1	Y2	Y3	Y4	Y5
Technology & AI	4	7	12	17	22
Legal content & quality	2	4	6	9	12
Sales, marketing & partnerships	2	5	9	14	20
Customer success & operations	1	3	6	9	12
Management & finance	1	1	2	3	4
Total headcount	**10**	**20**	**35**	**52**	**70**

Governance for investors

- Board seat or observer right for the lead seed investor
- Monthly MIS: revenue, users, CAC, burn, cash and milestones
- Annual statutory audit; quarterly management accounts
- Founder vesting and ESOP pool to retain key hires

Key-person dependence on the founder is mitigated by early CTO and Legal Content hires and the advisory board (see Risk Analysis).

Implementation schedule & milestones



Phase 1: Months 0–12 (₹40 L seed) · Phase 2: Months 13–30 (₹110 L growth round).

Milestones investors can track

Month	Milestone	Measure of success	Fund release linked
M0–2	Team & set-up	CTO hired, entity and IP filed, 100 verified templates	Product & team tranche
M3	MVP launch	v1.0 live; first 500 paying customers	Customer acquisition tranche
M6	Apps & e-sign	25,000 registered users; e-stamp/e-sign live	Scale marketing
M10	Break-even	Monthly revenue ≥ monthly cost	—
M12	Year 1 close	₹150 L revenue; 3,000 paying customers	Phase 2 readiness
M18	B2B / API live	6 languages; 5 enterprise/fintech partners	Phase 2 deployment
M24	Year 2 close	₹360 L revenue; 90,000 registered users	—

Execution discipline. Funds are held in a dedicated account and released against a milestone-linked monthly budget, reported through monthly MIS to investors.

Project cost & means of finance

Phase 1 · ₹40 lakh seed (Months 0–12)

Use of funds	₹ L	Share	Delivers
Product & AI engine	14	35%	MVP at M3; apps & e-sign at M6
Core team & working capital	10	25%	CTO and launch team of 10
Customer acquisition	8	20%	25,000 users; 3,000 paying
Legal content & experts	3	7.5%	Verified templates, expert panel
IP, compliance & contingency	3	7.5%	Independent legal opinion, trademark
Office & IT	2	5%	Delhi-NCR base
Total	**40**	**100%**	

Phase 2 · ₹110 lakh growth (Months 13–30)

Use of funds	₹ L	Share	Delivers
Product & AI (v3, v4, languages)	38	35%	AI review, WhatsApp, B2B APIs, 8+ languages
Team expansion	30	27%	Scale to ~20 people in Year 2
Customer acquisition & expansion	25	23%	Hindi-belt launch, partner programmes
B2B & enterprise sales	7	6%	Bank, fintech and enterprise partnerships
Legal content (regional)	5	5%	State-wise and vernacular templates
Security, compliance & contingency	5	5%	Audits, certifications, buffer
Total	**110**	**100%**	

Phase 2 allocation is indicative and will be finalised against Year-1 actuals.

Total project cost and means of finance

Project cost	₹ L	%
Product, AI & technology	52	34.7%
Team & working capital	40	26.7%
Customer acquisition & sales	40	26.7%
Legal content & expert network	8	5.3%
IP, compliance, security & contingency	8	5.3%
Office & IT	2	1.3%
Total project cost	**150**	**100%**

Means of finance	₹ L	%
Phase 1 seed equity	40	26.7%
Phase 2 growth equity	110	73.3%
Term loan / bank debt	0	0%
Total means of finance	**150**	**100%**

100%
Equity-funded; debt-free

≈ ₹13.9 L
Lowest quarter-end cash (end of Q3)

M10
Break-even before Phase 2 is fully deployed

Monthly
MIS and milestone-linked releases

Why this structure protects the seed investor. Phase 1 alone carries the business to break-even, so Phase 2 is a growth round raised from a position of proven traction rather than a survival round — supporting a higher Phase 2 valuation and limiting dilution.

Key assumptions & revenue build-up

Year 1 revenue build-up

Stream	Y1 volume	Avg price	₹ L
Registrations & compliance	1,000 orders	₹6,000	60
Subscriptions (SaaS)	1,500 subs	₹3,000/yr	45
Pay-per-document	10,000 docs	₹300	30
Expert Connect	5,000 sessions	₹300	15
B2B / API	Live from M18	–	0
Total	**3,000 paying**	**₹5,000 ARPU**	**150**

Customers overlap across streams. 40% of revenue comes from registrations, the fastest-converting need; 30% is recurring SaaS.

Operating assumptions

Assumption	Value
Financial year	Year 1 = FY 2026–27 (Apr–Mar)
Registered users (Y1 / Y5)	25,000 / 6.8 lakh
Free-to-paid conversion	10–12%
Blended CAC (Y1)	₹1,000
Annual renewal	65%+
Gross margin	60.3% (Y1) rising to 71.3% (Y5)
Direct costs	Discounts, GST, gateway commission & others, sales refunds & returns
Income tax	25.17% (Sec. 115BAA); Y1 loss not set off (conservative)
Depreciation	IT assets & capitalised software, straight-line 3–5 years
Working capital	Prepaid model; small receivables from B2B

Five-year revenue by stream (₹ lakh)

Stream	Y1 (FY27)	Y2 (FY28)	Y3 (FY29)	Y4 (FY30)	Y5 (FY31)	CAGR Y2–Y5
Registrations & compliance	60	130	250	430	680	74%
Subscriptions (SaaS)	45	120	270	500	820	90%
Pay-per-document	30	60	100	160	240	59%
Expert Connect	15	35	70	120	190	76%
B2B / API & white-label	0	15	60	140	270	162%
Total revenue	**150**	**360**	**750**	**1,350**	**2,200**	**83%**

Volume drivers	Y1	Y2	Y3	Y4	Y5
Registered users	25,000	90,000	2,20,000	4,20,000	6,80,000
Paying customers	3,000	9,500	24,000	48,000	82,000
ARPU (₹/ paying customer)	5,000	3,789	3,125	2,812	2,683
Headcount	10	20	35	52	70

Projected profit & loss statement

₹ lakh · Year 1 = FY 2026–27 · brackets denote costs or losses

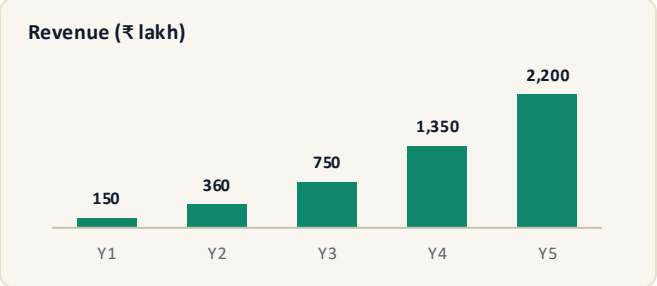
Particulars	Y1 FY27	Y2 FY28	Y3 FY29	Y4 FY30	Y5 FY31
Revenue from operations	150.0	360.0	750.0	1,350.0	2,200.0
Direct costs	(59.55)	(121.32)	(215.25)	(387.45)	(631.40)
Gross profit	**90.5**	**238.7**	**534.8**	**962.5**	**1,568.6**
Gross margin %	*60.3%*	*66.3%*	*71.3%*	*71.3%*	*71.3%*
OPERATING EXPENSES					
Employee cost	50.0	95.0	170.0	280.0	430.0
Marketing & customer acquisition	30.0	62.0	110.0	175.0	260.0
Technology infrastructure & tools	8.0	14.0	25.0	40.0	60.0
Office, rent & administration	9.0	14.0	24.0	38.0	55.0
Legal, compliance & professional fees	5.0	7.0	11.0	17.0	25.0
Legal content & expert panel	3.0	6.0	10.0	18.0	30.0
Miscellaneous & contingency	3.0	5.0	8.0	14.0	23.0
Total operating expenses	108.0	203.0	358.0	582.0	883.0
EBITDA	**(17.5)**	**35.7**	**176.8**	**380.5**	**685.6**
EBITDA margin %	**-11.7%**	**9.9%**	**23.6%**	**28.2%**	**31.2%**
Depreciation & amortisation	*(1.5)*	*(7.0)*	*(9.0)*	*(22.0)*	*(30.0)*
Preliminary expenses written off	(2.5)	–	–	–	–
Other income (treasury)	–	0.7	5.4	6.7	11.5
Profit before tax	**(21.5)**	**29.4**	**173.2**	**365.2**	**667.1**
Income tax @ 25.17%	–	(7.4)	(43.6)	(91.9)	(167.9)
Profit after tax	**(21.5)**	**22.0**	**129.6**	**273.3**	**499.2**
PAT margin %	*-14.4%*	*6.1%*	*17.3%*	*20.2%*	*22.7%*

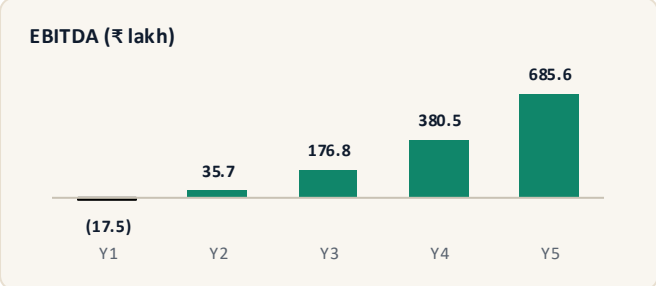
DIRECT COST DETAIL

₹ lakh

Particulars	Rate Y1	Y1	Rate Y2	Y2	Rate Y3	Y3	Rate Y4	Y4	Rate Y5	Y5
Gross Sales	–	150.00	–	360.00	–	750.00	–	1,350.00	–	2,200.00
Discount	20%	30.00	20%	72.00	15%	112.50	15%	202.50	15%	330.00
GST	18%	27.00	12%	43.20	12%	90.00	12%	162.00	12%	264.00
Gateway commission & others	1.5%	2.25	1.5%	5.40	1.5%	11.25	1.5%	20.25	1.5%	33.00
Sales refund & return value	0.2%	0.30	0.2%	0.72	0.2%	1.50	0.2%	2.70	0.2%	4.40
TOTAL DIRECT COST		**59.55**		**121.32**		**215.25**		**387.45**		**631.40**

Note: GST and discount classification in the statutory P&L should be validated by the company's CA.





Projected cash flow, balance sheet & key ratios

₹ lakh · brackets denote outflows or losses

Cash flow statement

Particulars	Y1	Y2	Y3	Y4	Y5
Opening cash	0.0	16.5	127.5	240.1	500.4
EBITDA	(17.5)	35.7	176.8	380.5	685.6
Other income	–	0.7	5.4	6.7	11.5
Income tax paid	–	(7.4)	(43.6)	(91.9)	(167.9)
Increase in working capital	–	(3.0)	(6.0)	(10.0)	(14.0)
Preliminary expenses	(2.5)	–	–	–	–
Cash from operations	(20.0)	26.0	132.6	285.3	515.2
Capital expenditure	(3.5)	(25.0)	(20.0)	(25.0)	(30.0)
Equity raised	40.0	110.0	–	–	–
Closing cash	**16.5**	**127.5**	**240.1**	**500.4**	**985.6**

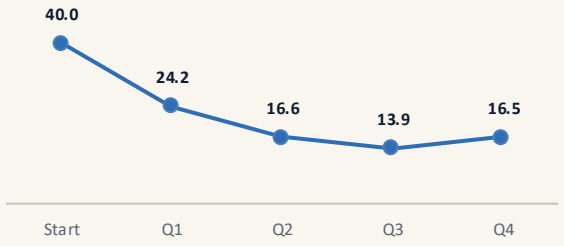
Summary balance sheet

Particulars	Y1	Y2	Y3	Y4	Y5
LIABILITIES & EQUITY					
Share capital & premium	40.0	150.0	150.0	150.0	150.0
Reserves & surplus	(21.5)	0.5	130.1	403.4	902.6
Net worth (no debt)	18.5	150.5	280.1	553.4	1,052.6
ASSETS					
Net fixed & intangible assets	2.0	20.0	31.0	34.0	34.0
Net working capital	–	3.0	9.0	19.0	33.0
Cash & bank	16.5	127.5	240.1	500.4	985.6
Total assets	**18.5**	**150.5**	**280.1**	**553.4**	**1,052.6**

Phase 1 quarterly cash runway

₹ lakh	Q1	Q2	Q3	Q4
Revenue	12	28	46	64
Gross profit (60.3%)	7.2	16.9	27.8	38.6
Operating expenses	(18.0)	(24.0)	(30.0)	(36.0)
EBITDA	(10.8)	(7.1)	(2.2)	2.6
Capex & preliminary	(5.0)	(0.5)	(0.5)	–
Closing cash (from ₹40 L)	**24.2**	**16.6**	**13.9**	**16.5**

Phase 1 closing cash by quarter (₹ lakh)



Cash stays positive through Month-10 break-even; lowest quarter-end point ≈ ₹13.9 L.

Key ratios

Ratio	Y1	Y2	Y3	Y4	Y5
Revenue growth	–	140%	108%	80%	63%
EBITDA margin	-11.7%	9.9%	23.6%	28.2%	31.2%
Return on net worth	neg.	15%	46%	49%	47%
Debt : equity	0.0	0.0	0.0	0.0	0.0
Current ratio	n.m.	> 3.0	> 3.0	> 3.0	> 3.0

Unit economics, break-even & sensitivity

₹1,000	4.0 months	6.0x → 7.1x	60.3% → 71.3%
Customer acquisition cost (Y1)	CAC payback (Y1)	LTV : CAC, Y1 to Y5	Gross margin, Y1 to Y5

Year 1 unit economics per paying customer

Metric	Value
Average revenue per paying customer (ARPU)	₹5,000 / year
Gross margin	60.3%
Gross profit per customer	₹3,015 / year (₹251 / month)
Customer acquisition cost (CAC)	₹1,000
CAC payback	₹1,000 ÷ ₹251 ≈ 4.0 months
Lifetime value (≈ 2-year life)	≈ ₹6,030
LTV : CAC	6.0x

CAC = marketing spend ÷ new paying customers; LTV = gross margin over customer life.

Break-even analysis

Monthly revenue crosses monthly cost at **Month 10**. On the larger Year-2 cost base, the business needs about **₹25.5 L** of monthly revenue to cover average monthly operating cost of ₹16.9 L at a 66.3% gross margin; planned Year-2 average revenue is ₹30 L a month.

Break-even metric	Year 2
Average monthly operating cost	₹16.9 L
Gross margin	66.3%
Break-even monthly revenue	₹25.5 L
Planned average monthly revenue	₹30.0 L
Margin of safety	15%, widening to 33% in Y3

Sensitivity of EBITDA (₹ lakh, operating costs held at plan unless stated)

Scenario	Y2	Y3	Y4	Y5
Base case	35.7	176.8	380.5	685.6
Revenue −10%	11.8	123.3	284.3	528.7
Revenue −20%	(12.1)	69.8	188.0	371.9
Gross margin −5 pts	17.7	139.2	313.0	575.6
Operating costs +10%	15.4	140.9	322.3	597.3
Revenue −20% and costs +10%	(32.4)	34.0	129.8	283.6

Resilience. Even with revenue 20% below plan, Year 3 remains EBITDA-positive (₹69.8 L) and Years 4–5 stay strongly profitable. Even the combined downside (revenue −20% with costs +10%) leaves Year 3 EBITDA-positive (₹34.0 L); only Year 2 shows a loss in the downside cases — while costs are largely discretionary marketing and hiring that can be paced to revenue.

Risk analysis & mitigation

We set out the principal risks candidly, with the likelihood, impact and the specific mitigation built into the plan and the use of funds.

Risk	Likelihood	Impact	Mitigation
Regulatory — Bar Council / Advocates Act	Medium	High	Platform does not practise law; advocates are independent; no solicitation or ranking; independent legal opinion in Phase 1
AI accuracy & document liability	Medium	High	Verified corpus with RAG; professional review of every clause; clear disclaimers; escalation to experts; professional indemnity cover
Data breach / privacy (DPDP Act)	Low	High	AES-256, TLS, India hosting, access controls, audits, breach response plan
Slower adoption / higher CAC	Medium	Medium	Free tier and SEO lower CAC; partner channels; milestone-linked spend can be paused
Competitive response	Medium	Medium	End-to-end bundle, vernacular depth, lower price and retention hooks; speed of execution
Key-person dependence	Medium	Medium	CTO and Legal Content hires by M6; advisory board; ESOP; key-person insurance
Technology & LLM vendor dependence	Low	Medium	Multi-model architecture; proprietary corpus is model-agnostic; cost monitoring
Phase 2 funding risk	Low	Medium	Break-even at M10 on Phase 1 alone; growth paced if Phase 2 is delayed
Integration / government portal changes	Medium	Low	Multiple e-sign/e-stamp partners; assisted fallback for MCA/GSTN changes

SWOT summary

Strengths

End-to-end platform; vernacular-first; price leadership; capital-efficient path to break-even; founder's trader network.

Weaknesses

Pre-launch with no operating history; technology and legal leadership still to be hired; single-founder team today.

Opportunities

2+ crore new MSME registrations a year; B2B/API for banks and fintechs; enterprise contract workflows; 8+ languages.

Threats

Regulatory interpretation on legal services; well-funded entrants; AI commoditisation of basic drafting.

Risk controls built into the funding structure

Staged capital

Phase 1 is sized to reach break-even; Phase 2 is raised only after Year-1 traction is visible.

Variable cost base

Marketing is about a third of Year-2 operating cost and, with new hiring, can be slowed within a quarter if targets slip.

Early-warning KPIs

Monthly MIS tracks CAC, conversion, renewal, burn and cash, with agreed triggers for corrective action.

Investment proposal & conclusion

Proposed terms

Term	Proposal
Instrument	Equity shares (or CCPS, as agreed)
Amount sought	₹40 lakh — Phase 1 seed
Valuation & equity	Open for discussion, based on strategic investor fit
Use of funds	Product 35% · Team 25% · Acquisition 20% · Content 7.5% · IP 7.5% · Office 5%
Fund control	Dedicated account; milestone-linked monthly releases
Reporting	Monthly MIS; quarterly accounts; annual audit
Investor rights	Board/observer seat, information and pre-emptive rights (to be agreed)
Next round	₹110 L Phase 2 growth round, Months 13–18

Illustrative seed return

Illustration only — assumes 10% for ₹40 L, 10% dilution in Phase 2 and a 10% ESOP pool, giving an 8.1% holding at Year 5, valued on ₹22 Cr Year-5 revenue.

Exit multiple	Equity value	Seed stake	MOIC	IRR (5 yr)
2x revenue	₹44 Cr	₹3.56 Cr	8.9x	55%
3x revenue	₹66 Cr	₹5.35 Cr	13.4x	68%
4x revenue	₹88 Cr	₹7.13 Cr	17.8x	78%

Exit routes

- Secondary sale in Series A/B rounds
- Strategic acquisition by legal-tech, fintech, or compliance players
- Buy-back from Year 5 internal accruals
- SME platform IPO in the long term

Documents available for due diligence

Detailed monthly financial model (Phase 1) and five-year projections with assumptions

Product specifications, technology architecture and release plan

Template library index, regulatory note and independent legal-opinion scope

Conclusion

Mera Vakil AI addresses a large, well-documented and policy-driven need — 84.5% of Indians struggle with legal texts while crores of MSMEs enter the compliance net each year. The project is technically feasible on today's digital rails, commercially viable with strong unit economics, debt-free, and reaches break-even at Month 10 on the Phase 1 seed alone. On the assumptions in this report, the project is **financially viable and investment-worthy**, with the key risks identified and mitigated.

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Returns are hypothetical, not a forecast or guarantee; actual valuation, dilution and exit outcomes will differ.