

# MEMORANDUM

To: Mr. Arjun Kumar

From: Ayush Singh

Date: 02 July 2025

Subject: EduMentor's investment Memorandum

## EXECUTIVE SUMMARY

EduMentor is an early-stage EdTech platform focused on test preparation and personalized mentorship for high school and undergraduate students in India. The company offers a structured, subscription-based model targeting Tier 2 and Tier 3 cities where access to quality coaching remains limited. The business has shown strong signs of product-market fit with impressive Year 1 metrics:

- **ARR of ₹5.994 Cr**, driven by affordable pricing and a high-volume acquisition strategy.
- **Customer Acquisition Cost (CAC)** of just ₹375, suggesting highly efficient marketing.
- **Lifetime Value (LTV)** of ₹47,952, implying an excellent LTV:CAC ratio (~128x).

Metric	Value
Annual Recurring Revenue (ARR)	₹5.994 Cr
Customer Acquisition Cost (CAC)	₹375
Customer Lifetime Value (LTV)	₹47,952
ARPU (Annual)	₹2,997

## RECOMMENDATION

**Exceptional unit economics:** The LTV:CAC ratio of 128x suggests high customer profitability and marketing efficiency.

**Validated early traction:** ₹5.994 Cr in ARR and 32,000 new users in Year 1 demonstrate real demand and execution strength.

**Cost-Effective Pricing** – ₹2,997 ARPU makes it accessible to mass-market students while still driving strong margins.

**Strong market tailwinds:** Rising digital adoption, demand for test-prep, and increasing competition intensity among students.

**Assess CAC at scale** – Investigate whether current low CAC can be maintained with broader marketing efforts.