

November 3, 2025

Tech-led retail investment & trading platform

About the Company: Incorporated in 2017, Billionbrains garage ventures more commonly known as Groww, is a Bengaluru based fintech company providing retail investors D2C (direct-to-customer) digital investment platform to transact in various categories of securities including mutual funds, stocks, ETFs, IPO, F&O, digital gold & U.S. stocks. Also, it offers value added services such as MTF (margin trading facility) and credit solutions. It is India's largest and fastest growing broking platform by active users of ~12.6mn (~26% market share) on NSE as of June'25.

Key Highlights:

- **Strong brand recall and well-established PAN India presence:** Groww's market share in retail cash ADTO and derivatives ADTO stood at 23.7% and 14.4% resp. as on Q1FY26. On mutual funds front, Groww is one of the foremost platforms for mutual funds distribution in India with ~13% market share. The company has grown rapidly with strong brand recall value and is a well-known and preferred broking brand. During FY25, FY24 and FY23, 83.6%, 81.1% and 81.0% customers were acquired organically ensuring low cost of acquisition on platform. It has active users in 98.4% of pin-codes in India. Further ~81% active users are outside top 6 cities as of June'25.
- **In-house technology stack to deliver differential experience at low cost:** With all systems developed in-house, it is able to deliver better experience to its customers at lower cost. Its system has bandwidth to handle ~50mn users simultaneously and execute ~50mn orders per day. Groww's investment in technology translates into operating efficiencies helping it to reduce marginal cost of serving incremental customers. Its "cost to serve" as a percentage of revenue from operations has declined from 15.9% in FY23 to 14.6% in FY25.
- **User friendly design and expanding to more products for various user:** Groww offers an easy-to-use app and website catering to different types of customers and their requirements in a single app. It aims to launch products and services to fulfil one or more of customers priorities. It launched commodities derivatives for customers seeking diversification beyond equity-linked trading, launched MTF for experienced investors seeking leverage and scalability, launched API trading platform for users to automate trading, for affluent users it launched "W" as wealth management products. These expansions and launch of new products shall result in gaining wallet share, enhancing annual average revenue per user.

Our View & Rating

Groww has recorded revenue / adj. EBITDA / PAT CAGR of 85% / 135% / 100% over FY23-25. At upper price band, the stock is priced at TTM PE of 33.1x on post-issue capital basis as on Q1FY26. The business is sensitive to the regulatory risk and equity market volatility. **We assign UNRATED rating to Groww IPO.**

Key risk & concerns

- Regulatory risk – Any policy changes, trade regulations, etc. For instance, any changes to weekly index expiry framework could impact business.
- Intensifying competition and equity market volatility

Key Financial Summary

Key Financials	FY23	FY24	FY25	Q1FY26	2 year CAGR (FY23-25)
Revenue	1,142	2,609	3,902	904	84.9
Adj. EBITDA	416	1,471	2,306	507	135.4
EBITDA Margin (%)	36.5	56.4	59.1	56.1	
Adj. PAT	458	534	1,824	378	99.6
EPS (Rs.)	0.9	1.0	3.3	0.7	
PE (x)*	134.9	115.6	33.8	33.1	
RoE (%)#	14	21	38	25	

Source: RHP, ICICI Direct Research, *PE calculated on TTM basis on upper price band of ₹100, #RoE annualised for Q1FY26



IPO Details

Issue Details

Issue opens	4th Nov, 2025
Issue closes	7th Nov, 2025
Issue size	₹6,632.3 crore
QIB (Institutional) Share	Not more than 50% of the offer
Non Institutional Share	Not less than 15% of the offer
Retail share	Not less than 35% of the offer
	Offer for sale - 55.7 crore shares
	Fresh issue - 10.6 crore shares based on upper and lower end of the price band
Issue Type	
Price band (₹/share)	₹95-100
Market Lot	150 shares
Face value	₹2
Bid lot	150 shares
Listing Market Cap @	
Upper Price Band	₹61,736 crore

Shareholding pattern

	Pre-Issue (%)	Post-Issue (%)
Promoters	28.3	27.8
Public	71.7	72.2
Total	100.0	100.0

Objects of the issue

Expenditure towards cloud infrastructure, brand building, investment capital for MTF and NBFC businesses, any inorganic growth opportunity alongwith other general corporate purposes

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Subscribe: Apply for the IPO

Avoid: Do not apply for the IPO

Unrated: No View on applying for the IPO

Subscribe only for long term: Apply for the IPO only from a long term investment perspective (>two years)



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