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Issue Details

Issue Details	
Issue Size (Value in ₹ million, Upper Band)	66,323.0
Fresh Issue (No. of Shares in Lakhs)	1,060.0
Offer for Sale (No. of Shares in Lakhs)	5,572.3
Bid/Issue opens on	4-Nov-25
Bid/Issue closes on	7-Nov-25
Face Value	Rs. 2
Price Band	95-100
Minimum Lot	150

Objects of the Issue:

- **Fresh Issue: ₹10,600 million**
- Expenditure towards cloud infrastructure.
 - Brand building and performance marketing activities.
 - Investment in their Material Subsidiaries - Grow Creditserv Tech Private Limited ("GCS")— a NBFC for augmenting its capital base and Grow Invest Tech Private Limited ("GIT"), for funding MTF business.
 - Funding inorganic growth through unidentified acquisitions and general corporate purposes.
- **Offer for Sale: ₹55,723 million**

Book Running Lead Managers	
Kotak Mahindra Capital Company Limited	
J.P Morgan India Private Limited	
Citigroup Global Markets India Private Limited	
Axis Capital Limited	
Motilal Oswal Investment Advisors Limited	
Registrar to the Offer	
MUFG Intime India Private Limited	

Capital Structure (₹ million)	Aggregate Value
Authorized share capital	46,650.0
Subscribed paid up capital (Pre-Offer)	12,135.2
Paid up capital (post-Offer)	12,347.2

Share Holding Pattern %	Pre Issue	Post Issue
Promoters & Promoter group	28.3	19.2
Public	71.7	80.8
Total	100.0%	100.0%

Financials

Particulars (Rs. In Million)	3M FY26	FY25	FY24	FY23
Revenue from operations	9,044	39,017	26,093	11,415
Operating Expenses	4,211	15,293	20,438	7,428
EBIDTA	4,833	23,724	5,655	3,988
Other Income	441	1,599	1,867	1,194
Depreciation	71	246	201	123
EBIT	5,202	25,077	7,321	5,059
Interest	164	425	42	21
PBT	5,032	24,638	(6,185)	5,038
Tax Expense	1,248	6,394	1,870	461
Consolidated PAT	3,784	18,244	(8,055)	4,577
EPS	0.61	3.0	(1.3)	0.7
Ratio	3M FY25	FY25	FY24	FY23
EBITDAM	53.4%	60.8%	21.7%	34.9%
PATM	41.8%	46.8%	-30.9%	40.1%
Sales growth		49.5%	128.6%	

Company Description

Billionbrains Garage Ventures Limited (Groww) are a direct-to-customer digital investment platform that provides wealth creation opportunities to customers through multiple financial products and services. They are India's largest and fastest-growing investment platform by active users on NSE as of June 30, 2025. With Groww, customers can invest and trade in stocks (including via IPOs), derivatives, bonds, mutual funds (including Groww Mutual Fund), and other products. They can also avail margin trading facilities and personal loans. Using the Groww app or website, customers can access tools, information, and market insights across their products and services and build their investment and trading strategies. They provide customers with a friendly design and deploy an in-house technology platform to enhance the investing experience.

Their Promoters, Lalit Keshre, Harsh Jain, Ishan Bansal, and Neeraj Singh, were colleagues at Flipkart India and had experience in technology products and services. Around 2016, their Promoters realized that investing was complicated, localized to certain cities, expensive, and that people had a limited understanding of investment products and services. The number of active users on NSE as of March 31, 2016, was about 5 million, which demonstrated low penetration and participation in capital markets. Having witnessed how new-age technology companies had impacted multiple sectors in India (such as retail, food, and travel), their Promoters started Groww to provide a customer-first, technology-led investment platform. As of June 30, 2025, the number of active users on NSE was 47.89 million, having grown approximately nine times from 2016. Further, Groww is the only investment app in India to cross 100 million cumulative downloads as of June 30, 2025.

Valuation & Outlook:

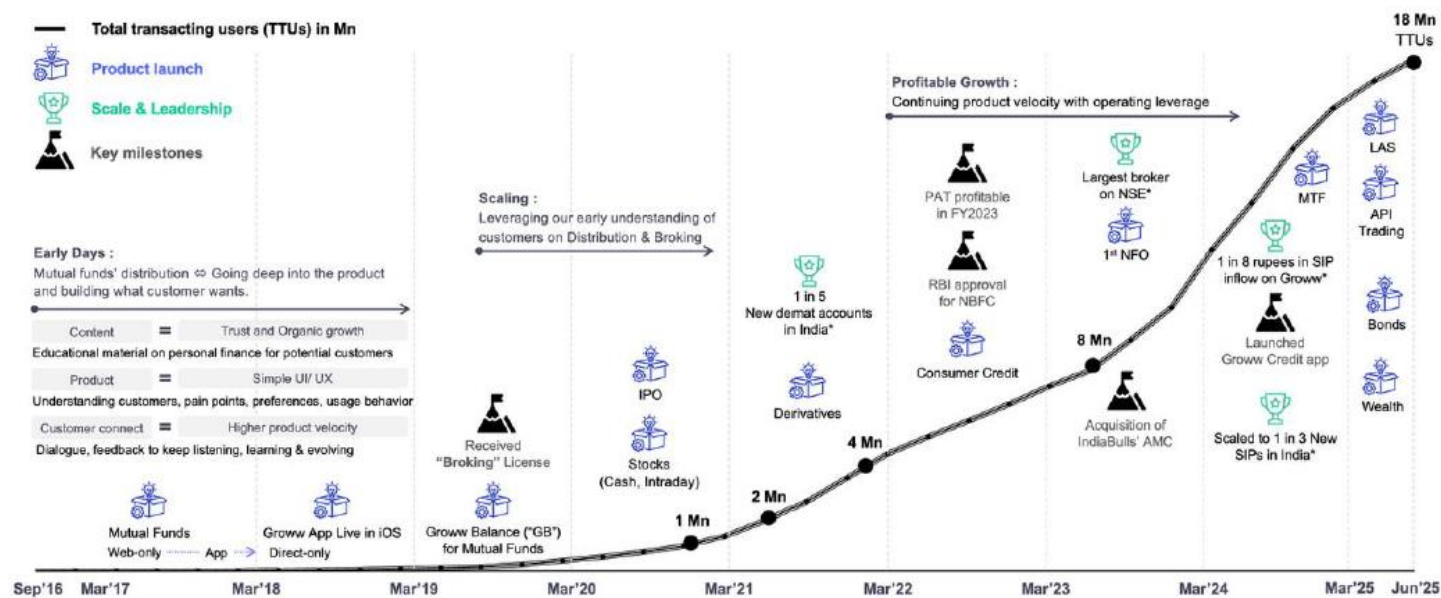
Founded in 2017, Billionbrains Garage Ventures (Groww) Limited is a Bengaluru-based fintech company offering a direct-to-customer digital investment platform that enables retail investors to build wealth through a wide range of financial products and services. The platform allows users to invest in mutual funds, stocks, F&O, ETFs, IPOs, digital gold, and U.S. equities. Its mobile app enjoys strong popularity, especially among mutual fund investors. Additionally, Groww provides value-added offerings such as Margin Trading Facility (MTF), algorithmic trading, New Fund Offers (NFOs), and credit solutions.

Groww has been a leading player in India's retail investing space and, according to Google Trends, recorded the highest search interest in the country among the top 10 brokers (by NSE active clients, as per NSE data) during Fiscal 2025. Among active users who have completed three years on the platform, 77.7% have remained with Groww. The company has also demonstrated strong and consistent retention in the first quarter following customer acquisition, with rates ranging between 84.8% and 92.9% across cohorts from Fiscal 2022 to March 31, 2025. Groww has developed most of its technology in-house, enabling the company to deliver a seamless and superior experience to its customers.

At the upper price band, the company is valued at 33.8x FY25 P/E, implying a post-issue market capitalization of ₹6,17,360 million. Groww seeks to strengthen its pan-India brand by focusing on trust, transparency, and financial inclusion while expanding its customer base organically through word-of-mouth and operating leverage. The company also plans to diversify its product suite with offerings like MTF, commodity derivatives, API trading, wealth management ('W'), LAS, and Bonds to enhance engagement, wallet share, and AARPU. Considering these factors, the IPO appears fully priced and is rated "**Subscribe – Long Term.**"

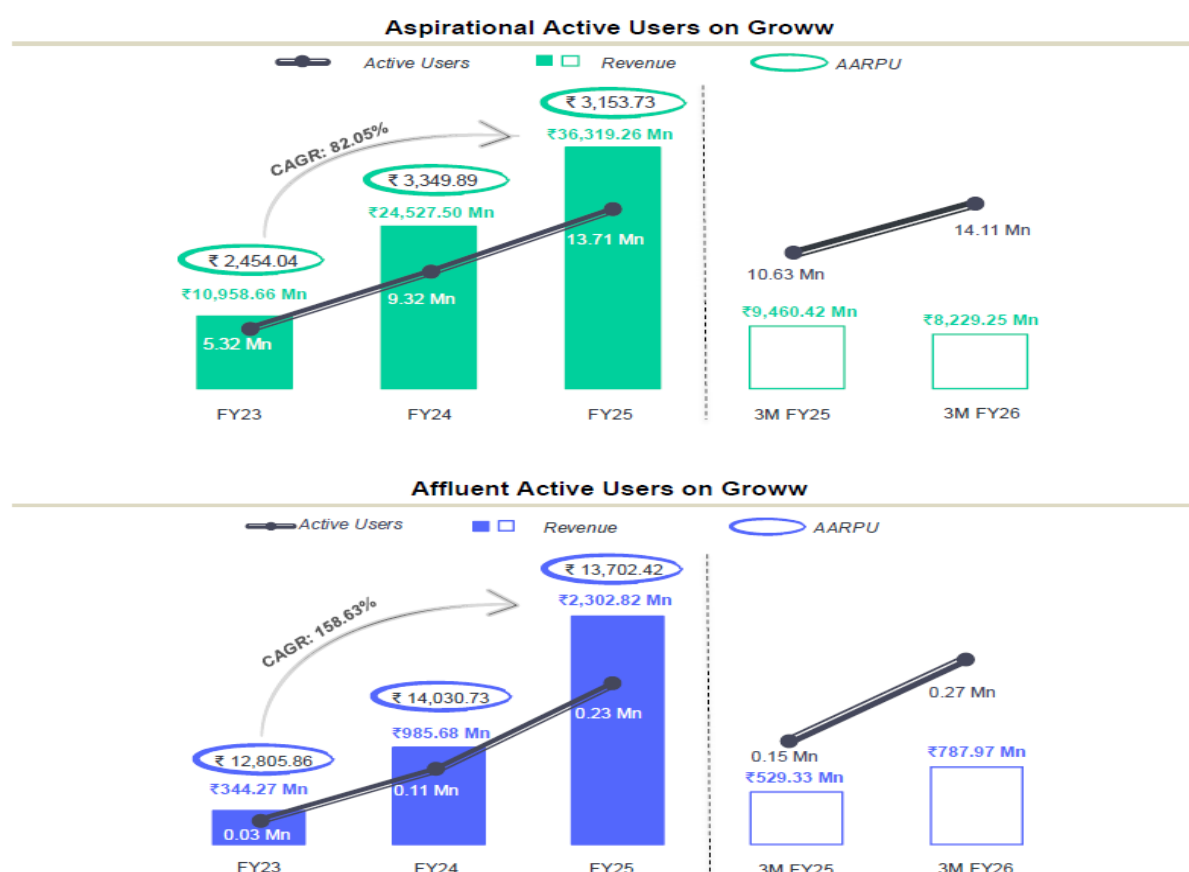
➤ Description of Business:

The following graphic provides an overview of the company's journey since inception:

• Their Customers

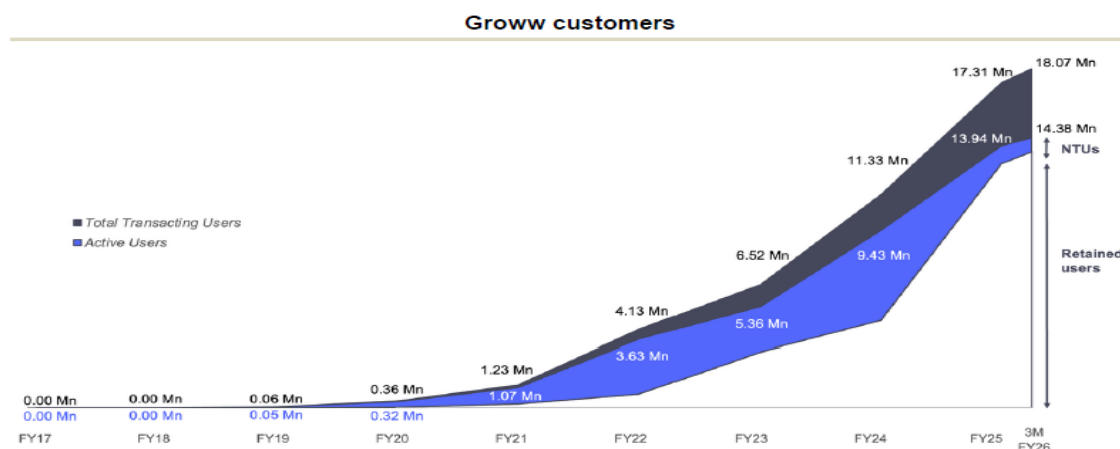
Their customers are individuals seeking to build financial assets by investing in capital markets. They have a diverse customer base belonging to various socio-economic backgrounds across cities, towns, and villages in India, covering 98.36% of pin codes as of June 30, 2025. Furthermore, based on KYC information, their customers are young, come from diverse backgrounds, and are spread across India. For example, 43.21% of NTUs that onboarded on Groww in Fiscals 2024 and 2025 opened their first demat account with them. Their young customer base is reflected by ~45% of Active Users being less than 30 years old and ~21% being between 31–35 years of age as of June 30, 2025. Their diverse customer base includes (i) 3.3 million Active Users who are women as of June 30, 2025; (ii) Active Users from various professions, including business owners, professionals, public sector or government employees, farmers, housewives, and more; and (iii) ~81% of Active Users residing outside Delhi National Capital Region and the top five cities as of June 30, 2025. They classify their customers based on total assets invested with them or tracked on their platform. Customers with total assets (i.e., assets invested through Groww and other investments tracked on Groww) of less than ₹2.5 million are classified as "Aspirational Users," while customers with total assets of ₹2.5 million or more, at any point in time on their platform, are classified as "Affluent Users." Aspirational Users generally start investing with smaller amounts, are younger (having a median age of ~30 years as of June 30, 2025), and over time graduate to become Affluent Users. Affluent Users can also join their platform directly with larger investible total customer assets and are older (having a median age of ~40 years as of June 30, 2025). Typically, they generate higher Annual Average Revenue Per User ("AARPU") from Affluent Users.

At Groww, their relationship with their customers typically does not end with the completion of a transaction. Their focus is on building long-term relationships by providing customers with seamless investment experience and catering to their evolving needs over the years. Many of their customers are still in the initial stages of investing. The median age of their active users was ~31 years as of June 30, 2025. As a result, they believe their customers have the potential to spend many years investing with them, availing multiple products and services on their platform, with the opportunity to grow alongside them. As of June 30, 2025, 5.70 million Active Users use more than one product on Groww. The following charts show the growth of their Aspirational and Affluent Active User base in terms of revenue, user base, and AARPU for the periods or years indicated.



• Their Growth

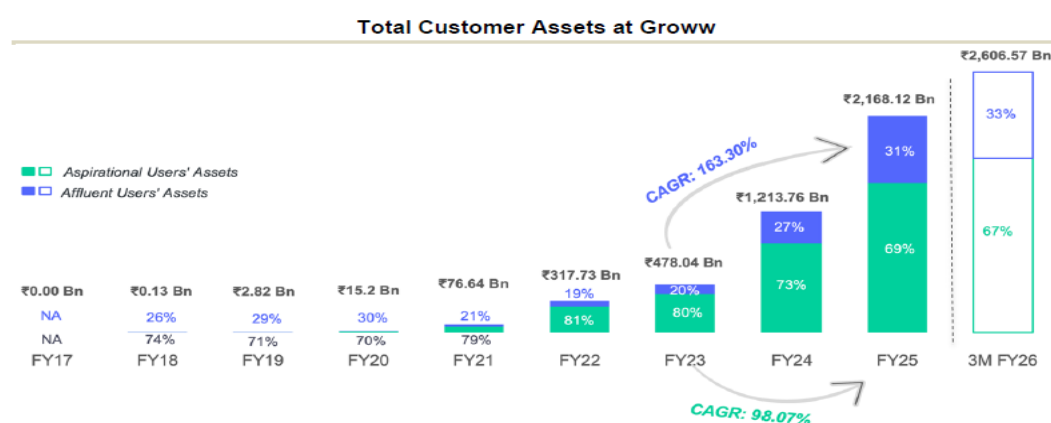
The number of Active Users on their platform grew at a CAGR of 52.7% from the beginning of Fiscal 2023 through the three months ended June 30, 2025. A majority of their customers joined the platform organically (i.e., customer acquisitions not attributable to paid marketing channels). In the three months ended June 30, 2025 and 2024, and in Fiscals 2025, 2024, and 2023, 83.2%, 82.9%, 83.6%, 81.1%, and 81.0% of their new customers, respectively, were acquired organically. Customers come to their platform via word of mouth and referrals, thereby helping them reduce the Cost to Grow (defined as marketing and business promotion expenses) and improve payback periods (defined as the length of time it takes for the investment to generate additional revenue to offset the initial costs). Total Customer Assets (defined below) on their platform grew at a CAGR of 91.1% from the beginning of Fiscal 2023 through the three months ended June 30, 2025. Stocks (including customer funds deposited with Groww) accounted for 45.4% of the Total Customer Assets as of June 30, 2025, with the balance held in mutual funds. Additionally, Affluent Users held 33.2% of the Total Customer Assets on Groww as of June 30, 2025 — up from 20.3% as of the end of Fiscal 2023. The following graphic shows the growth in customers on their platform from their inception in 2016 through June 30, 2025.



• Groww is:

- The highest-rated investing app in India, with a rating of 4.61 out of 5 on Google Play as of June 30, 2025.
- The highest-ranked investment app (in the investment category) on the App Store in India as of June 30, 2025, based on search results from the App Store.
- Typically appearing among the top three search results in India on popular app stores and search engines for keywords related to investing — such as “mutual funds,” “SIP,” “demat,” “stocks,” and “trading” — based on search results from Google Play, App Store, and Google Search.

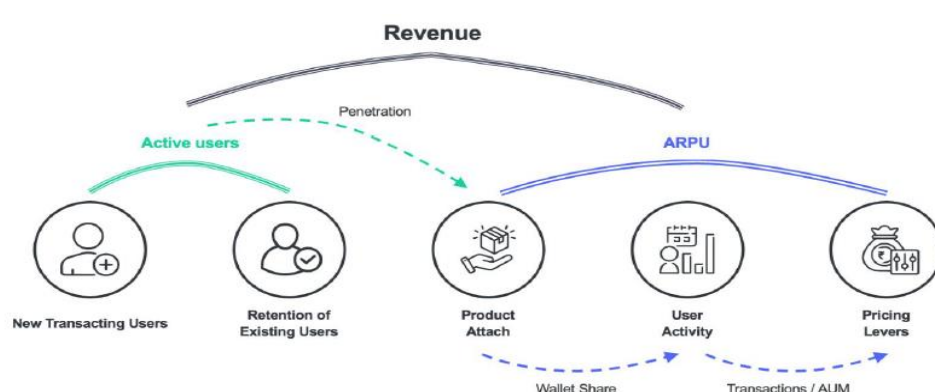
The following graphic shows the growth in Total Customer Assets on their platform from inception in 2016 through June 30, 2025.



The growth of their platform has been supported by customer growth, high engagement, and retention — which has translated into increasing Total Customer Assets, customers using multiple products, and expanding AARPU. For customers they acquired in the first quarter of Fiscal 2022, from the beginning of their journey on Groww until the end of Fiscal 2025:

- Total Customer Assets per user grew 5.36x;
- AARPU grew 1.86x; and
- 53.33% are using two or more products (i.e., Mutual Funds, Stocks, Derivatives, Credit, and MTF).

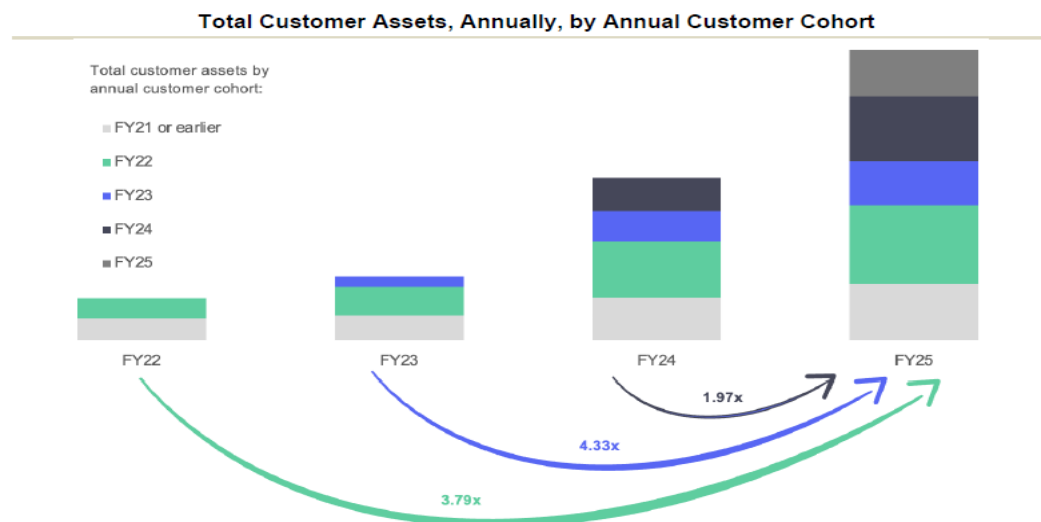
• Their Business Model



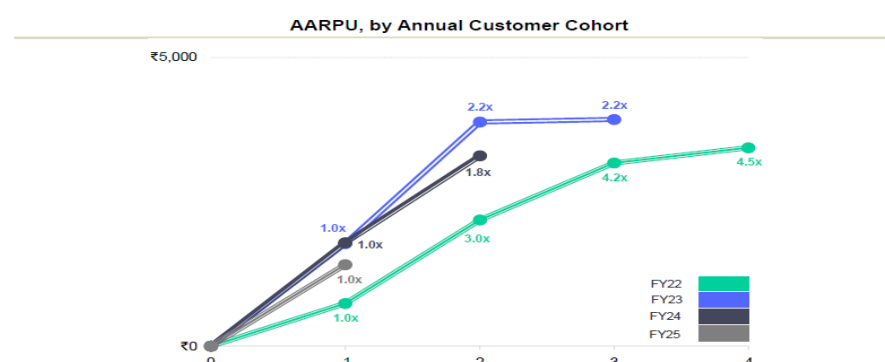
Their business model is characterized by growing their customer base and expanding their relationship with customers. Growth in customers on their platform depends on efficient new customer acquisition supported by retention. A customer's relationship with their platform depends on their willingness to trade, invest, and build assets on it. Customers typically start their journey with them by investing in one product, usually Stocks or Mutual Funds, and over time begin using multiple products. Customers join Groww early, giving them the potential to spend many years investing with the platform and availing multiple products and services, with the opportunity to grow alongside it, as demonstrated below. The graphic below illustrates the product adoption journey for new users acquired on their platform who started with Stocks as their first product and subsequently adopted additional products on Groww, as of June 30, 2025.



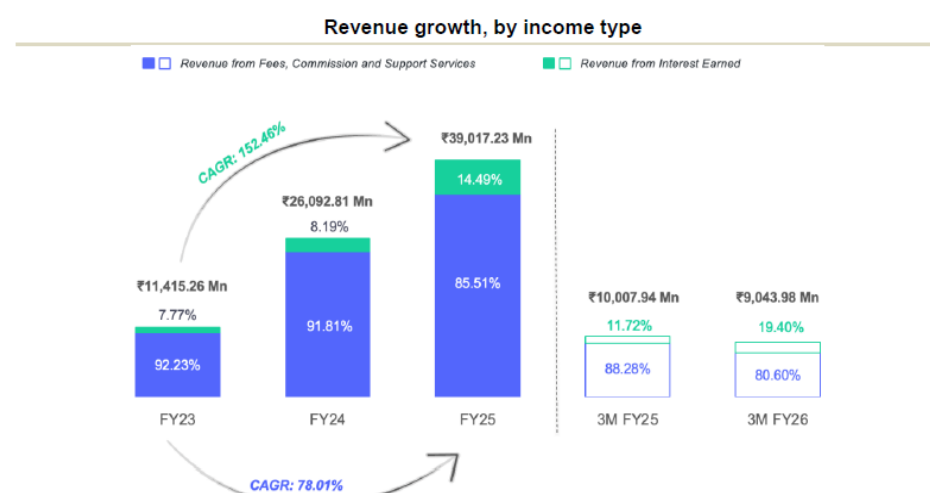
Not only have the Total Customer Assets of existing customers been growing, but there has also been a significant contribution to Total Customer Assets from new users in each Fiscal. 16.1% of the total assets held by active customers as of the end of Fiscal 2023 were contributed by users acquired during the same year. For Fiscals 2024 and 2025, the contribution was 20.4% and 15.8%, respectively. The graphic below demonstrates that for users acquired during Fiscal 2022, the Total Customer Assets held by them on their platform grew 3.8 times as of Fiscal 2025, whereas for customers acquired in Fiscal 2023, Total Customer Assets grew 4.3 times as of Fiscal 2025.



In Fiscal 2025, 80.8% of their revenue came from users acquired in the preceding years, compared to 69.2% in Fiscal 2024. In addition, they acquire new users every year who contribute to their revenue growth. As the chart above reflects, the cohort of customers acquired in Fiscal 2022 generated 3.8 times the revenue in Fiscal 2025. The graphic below depicts growth in AARPU across customer cohorts, annually.



Their main revenue streams include fees and commissions, and interest earned on fixed deposits earmarked with stock exchanges, personal loans, and margin trading facilities. The chart below illustrates their revenue growth:



Operational and Financial Metrics

Their revenue from operations grew at a CAGR of 84.88% from Fiscal 2023 to Fiscal 2025, making them one of the two fastest-growing companies among the Top 10 brokers by NSE active customers as of June 30, 2025, according to the Redseer Report. Additionally, their Adjusted EBITDA and Profit/(loss) for the period/year margin have grown as shown in the table below. Further, their revenue per employee increased from ₹10.6 million in Fiscal 2023 to ₹26.1 million in Fiscal 2025 and ₹6.4 million in the three months ended June 30, 2025, while their Adjusted EBITDA per employee rose from ₹3.9 million in Fiscal 2023 to ₹15.4 million in Fiscal 2025 and ₹3.6 million in the three months ended June 30, 2025, demonstrating operating leverage. The following table provides their selected operational and financial metrics at a platform level for the periods/years indicated:

Particulars	Units	Three months, ended		Fiscal Year, ended		
		June 30, 2025	June 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Platform – Operational KPIs						
Total Transacting Users	# millions	18	13	17	11	7
Active Users	# millions	14	11	14	9	5
Growth in Active Users	%	33.4%	89.7%	47.8%	76.1%	47.5%
Average Active Users	# millions	13	8	12	7	4
NSE Active Clients	# millions	13	11	13	10	5
Growth in NSE Active Clients	%	15.2%	93.2%	35.5%	77.5%	39.7%
Total Customer Assets	₹ millions	2,606,569	1,637,934	2,168,116	1,213,760	478,043
Platform AARPU	₹	-	-	3,339	3,530	2,541
MAUs	# millions	14	11	13	7	5
DAUs	# millions	7	6	7	4	2

The following table provides key performance indicators at a product level for the period/years indicated:

Particulars	Units	Three months, ended		Fiscal Year, ended		
		June 30, 2025	June 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Mutual Funds						
MF Active Users	# millions	9	6	8	5	3
MF Assets held on Groww	₹ millions	1,395,440	767,644	1,130,163	575,736	244,230
MF # of SIPs	# millions	45	31	156	76	44
MF SIP Inflows	₹ millions	100,196	65,113	340,284	150,367	79,907
Broking Services						
Broking Transacting Users	# millions	6	7	14	10	5
Broking Orders	# millions	379	476	1,820	1,296	602
Stocks						
Stocks Active Users	# millions	10	8	10	7	4
Average Daily Turnover ("ADTO")	₹ millions	106,740	81,605	91,719	45,229	23,887
Stocks' Assets held on Groww	₹ millions	1,139,974	806,516	976,395	594,035	217,883
Derivatives						
Derivatives Active Users	# millions	1	2	1	2	1
Average Daily Premium Turnover	₹ millions	92,767	76,622	78,473	45,728	19,611
Consumer Credit						
Disbursement by Partners	₹ millions	3,151	3,327	14,286	10,236	16,324
Disbursement by Groww Creditserv Technology	₹ millions	2,487	3,618	12,606	9,148	0
Margin Trading Facility						
MTF Active Users	# millions	0.1	0.0	0.0	-	-
MTF Book	₹ millions	10,358	1,292	6,019	-	-

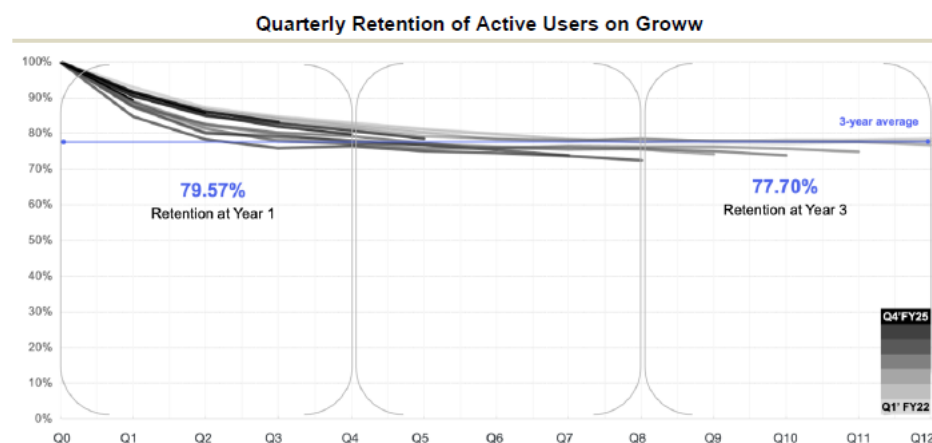
Competitive Strengths:

- “Groww” is a well-known and preferred brand for investing across cities, towns and villages in India

Groww has been at the forefront of retail investing in India and, as per Google Trends, had the highest search interest in India among the top 10 brokers (based on NSE active clients, as per NSE data) in Fiscal 2025. This reflects the trust Groww has built, the popularity of their app, and customer affinity toward their platform. Among the top five brokers (by NSE active customers as of June 30, 2025), they garnered the highest share of new app downloads — 38.2% — from the start of Fiscal 2022 until June 30, 2025. Their brand recall is also demonstrated by strong organic customer acquisition. For example, in the three months ended June 30, 2025 and 2024, and in Fiscals 2025, 2024, and 2023, 83.2%, 83.0%, 83.6%, 81.1%, and 81.0% of customers, respectively, were acquired organically. This ensures a low customer acquisition cost for their platform. Their brand is well-known across cities, towns, and villages in India, with Active Users in 98.4% of pin codes as of June 30, 2025, as shown in the map below. Furthermore, ~81% of Active Users are located outside the top six cities as of June 30, 2025.

- **They have high customer retention, engagement and price in-elasticity**

At Groww, their relationship with their customers does not end with the completion of a transaction. The extent to which customers use and engage with their products and services is an important indicator of their level of interest in the platform. They believe that having engaged customers enables them to build long-term relationships and introduce new products and services over time. They also enhance customer engagement on the platform by providing relevant and easily accessible information — such as news releases and earnings announcements — to create a regular cadence of content that caters to customers’ needs and interests, helping them make informed investment decisions. They use their platform — from personalized notifications to stories, feeds, and widgets — to deliver customized updates. They believe this fosters trust and builds enduring relationships with their customers. The chart below demonstrates that across cohorts of Active Users who have completed three years on their platform, 77.7% remained with them. They have also maintained consistent retention in the first quarter post customer acquisition, ranging from 84.8% to 92.9% across cohorts starting from Fiscal 2022 until March 31, 2025.



In Fiscal 2025, the average daily time spent on their platform by Active Users was 65.5 minutes, engaging with them for various reasons — such as reading news, checking watchlists, making investments, or monitoring portfolios. This engagement is reflected in their DAU/MAU ratio of Transacting Users, which stood at 56.3% and 55.2% in Fiscals 2025 and 2024, respectively. Customers’ association with Groww is not limited to trade execution or transaction-led activity but is also habitual. This is further evidenced by continued demand for their products despite price changes. In October 2024, they increased brokerage and other fees for Stocks, including introducing a minimum transaction fee, yet saw negligible impact on customer acquisition and investing/trading activity. For the three-month period ending December 2024, Groww accounted for 40.0% of net additions in NSE active users, according. Their market share based on Retail Cash ADTO across BSE and NSE increased from 17.7% in the second quarter of Fiscal 2025 to 21.6% in the third quarter of Fiscal 2025.

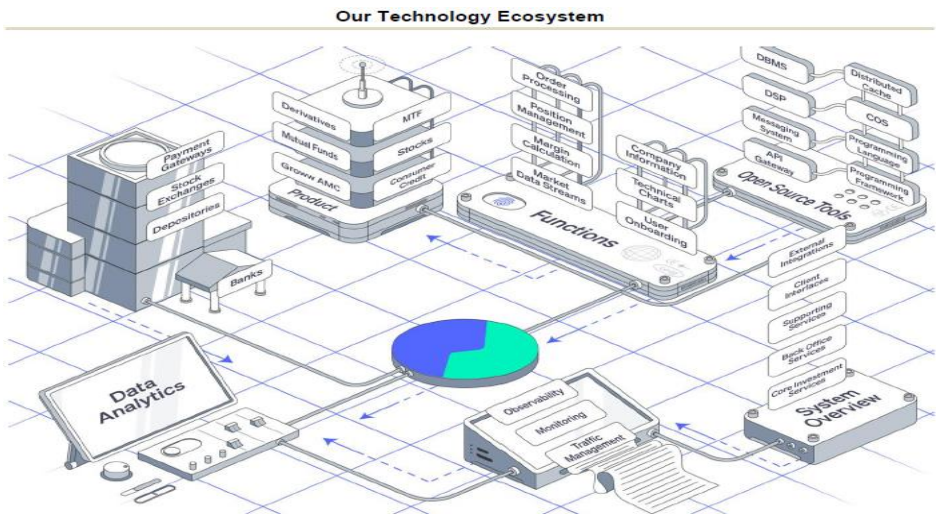
- **Customer-friendly design for enhancing investing experience**

Through creative and uniform design, they offer customers an easy-to-use app and website. By leveraging technology, they are able to design their platform to cater to different types of customers and their requirements within a single app, providing transparency, simplicity, and speed. For example, they offer advanced features and tools for power traders (individuals who trade regularly in capital markets), while their SIP investment process is designed for investors beginning their investment journey. From Fiscal 2023 through the three months ended June 30, 2025, “User Friendliness” was the most appreciated feature of the Groww app on Google Play⁴ reviews, based on data aggregated by Appbot. They are also guided by their design ethos to focus on “user delight,” to “obsess over design,” to “sweat over the small stuff,” and to “not be generic.” They achieve their culture of customer-centric design through a dedicated design team (led by one of their Promoters, Lalit) that is involved in all stages of platform development to anticipate and address customer needs. They collect customer input and build products and services around a continuous cycle of iteration, feedback, and refinement, with each new development supported by customer research. Some of the features of their interface include:

- Use of colors to provide prompts to investors (across multiple aspects not only for ease of execution but also for information and insights, such as buy/sell indicators, expert ratings, and financial trends) so they don’t have to depend entirely on the English language (which is the language of their interface).
- Use of information hierarchy for ease of information access.
- An uncluttered, uncomplicated interface that makes accessibility appealing.
- A designed interface where customer support is easily available.

- **In-house technology stack to deliver a differentiated experience at low cost**

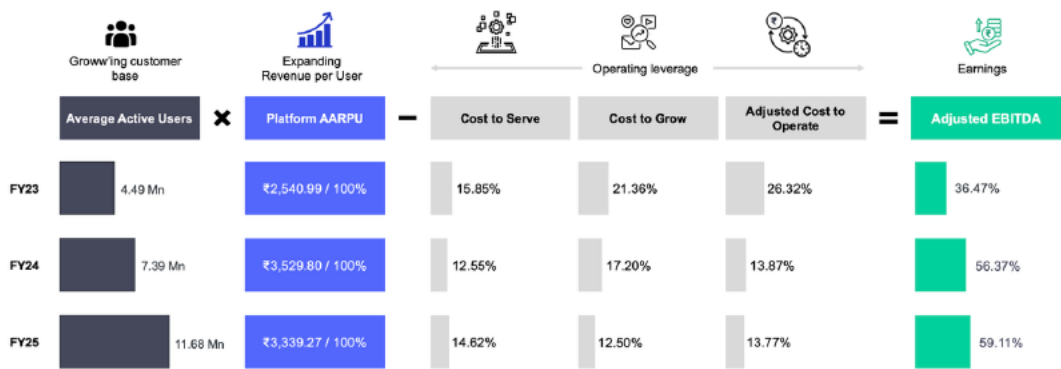
They have built most of their technology in-house, which helps them deliver a superior experience to their customers. With systems and infrastructure customized as the backbone of their operations, they are able to respond quickly to changes — whether driven by customer demand or regulatory and compliance requirements. This enables them to sustain product velocity, continuous innovation, and platform reliability and stability, while ensuring business continuity. They invest in technology to maintain a low-latency and high-throughput data processing system, allowing them to effectively manage customers’ journeys on their platform. Their systems have the capacity to handle approximately 50 million users simultaneously and execute around 50 million orders per day. Additionally, their peak transactions per second (“TPS”) were on par with the average TPS of UPI transactions in India during Fiscal 2024. The platform can also be configured and integrated with multiple third-party systems, market infrastructure intermediaries, and partners across various products and key stages of a customer’s transaction journey. The image below demonstrates their technology ecosystem that connects a significant portion of their operations.



Entrepreneurial and ownership-driven culture

Groww’s organizational culture blends a Promoter-led vision with a strong execution-focused team. The company follows a pod-based structure — lean, cross-functional teams empowered to make independent decisions and deliver outcomes efficiently. This agile setup enables quick product launches, feature updates, and service enhancements. Groww promotes an entrepreneurial and ownership-driven culture, reflected in its ESOP program, under which 77.3% of employees held stock options as of June 30, 2025. Guided by the principle of “Do the right thing for the customer,” Groww has implemented initiatives to embed customer empathy across the organization. Employees regularly engage in customer interactions to understand their needs, challenges, and expectations, fostering a culture of customer-centricity. Additionally, through its nationwide financial literacy initiative, “Ab India Karega Groww” (AIKG), the company conducts investment and trading workshops across multiple cities. These programs not only empower retail investors but also help employees gain deeper insights into customer aspirations, enabling continuous product, policy, and service improvements.

Strong execution delivering growth and profitability



Groww’s business model is built on three core principles — customer-first, technology-led, and asset-light.

- Customer-first:** This focus drives high engagement and retention, leading to faster adoption of new investment products and higher revenue per customer at minimal cost, thereby improving contribution margins.
- Technology-led:** By leveraging digital infrastructure, Groww benefits from strong operating leverage, enabling revenue growth with relatively low incremental cost. Reflecting this, its Adjusted Cost to Operate declined from 26.32% of revenue in FY23 to 13.77% in FY25.
- Asset-light:** This approach enhances cash conversion, allowing profits to translate into free cash flow that can be reinvested in business growth, new product development, or customer acquisition.

Growth Strategies:

Groww believes it is still in the early stages of its growth journey, despite its strong brand and rapid expansion so far. India’s investment penetration remains low, with only 16–18% of adults owning demat accounts and around 5% active broking account penetration, compared to ~62% in the U.S. This indicates substantial headroom for expansion. The Investment and Wealth Management sector in India, valued at ₹1.1 trillion in FY25, is projected to grow to ₹2.2–2.6 trillion by FY30. During the same period, the user base is expected to rise from 66–72 million to 120–130 million, while average revenue per user (ARPU) is estimated to increase from ₹15,900–₹17,200 to ₹18,600–₹20,200. Groww plans to capitalize on this large and growing opportunity through its Board-approved strategies (May 21, 2025) and its proven, customer-friendly digital platform.

Continue to strengthen their brand

Groww aims to strengthen its position as a pan-India “pull” brand with strong household recognition by focusing on trust, transparency, financial inclusion, and empowerment in its marketing efforts. The company plans to continue scaling its customer base organically, leveraging word-of-mouth marketing and operating leverage to grow revenue without a proportional rise in marketing expenses. This approach is expected to enhance market share across products, deepen customer relationships, and drive multi-product adoption. Additionally, Groww intends to diversify its offerings by catering to distinct customer segments—for instance, through “W by Groww”, a wealth management initiative designed for affluent users seeking expert advisory and asset management solutions.

- **Launch more products and services for both affluent and aspirational customers**

Groww plans to expand its product suite by introducing new products, services, and features guided by three principles — customer demand, profitability potential, and differentiated experience. Each new offering aims to enhance customer acquisition, monetization, or retention. Recent launches include Margin Trading Facility (MTF) for experienced investors, commodity derivatives for advanced traders, and an API trading platform (June 2025) to support automated trading. To serve affluent customers, Groww introduced 'W', a wealth management product offering portfolio tracking, investment insights, and access to wealth partners, with plans to add advisory and relationship manager-led services. The company also launched Loans Against Securities (LAS) to provide liquidity options and Bonds (May 2025) for portfolio diversification. As the platform and user base mature, Groww aims to continuously innovate, increase wallet share, and boost Average Adjusted Revenue per User (AARPU) through deeper engagement and product adoption.



- **Invest in technology**

Groww plans to continue investing in its in-house technology stack to enhance customer experience and achieve greater operating leverage at scale. Its team of engineers, designers, data scientists, cybersecurity experts, and product managers drives this innovation. The company's focus areas include: (i) Rapid and scalable innovation to make investing simpler, smarter, and more accessible, (ii) Leveraging AI and data analytics for real-time market intelligence and personalized portfolio insights, and (iii) Strengthening compliance through technology solutions designed to meet regulatory requirements efficiently and at scale.

- **Pursue strategic acquisitions and investments**

Groww continues to pursue strategic acquisitions aimed at expanding its product and service offerings, entering adjacent businesses, and increasing AARPU efficiently. For instance, it acquired Indiabulls Asset Management Company Private Limited (and Indiabulls Trustee Company Limited) in 2023 to launch Groww AMC. Additionally, to strengthen its "W by Groww" wealth management initiative, the company is in the process of acquiring a wealth management firm with a diverse product and service portfolio across India.

➤ **Industry Snapshot:**

- **Equity markets have been the key beneficiary of the macroeconomic tailwinds and are expected to witness continued growth**

Strong macroeconomic tailwinds, structural shift of investments from physical to financial assets and higher allocation to equities has contributed to the growth of India's capital market. India is now the fourth largest country globally in terms of equity market capitalization as of June 2025. Individual investor participation (non-promoter) has grown rapidly with the ownership in NSE-listed companies being ~18% in FY2025, up from ~12% in FY2015. However, while 660 - 680 million individuals in India have an Aadhaar-linked PAN, only around ~48 million are active NSE clients. This implies a penetration of ~5% of the adult population, significantly lower than in advanced economies. Thus, there is a significant opportunity in terms of individual investor participation across stocks and mutual funds.

- **India is the 4th largest stock market with a market capitalization of ~₹462 trillion**

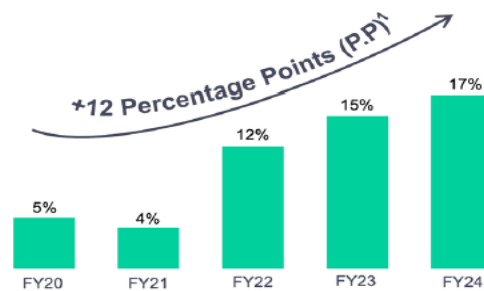
As of June 30, 2025, India's equity market (across exchanges) reached a market capitalization of ~₹462 trillion, solidifying its position as the fourth largest market globally after the US, China (including Hong Kong), and Japan, growing at a CAGR of ~17% over the last two decades. NSE is the third largest exchange globally by equity market trading volume as of March 2025. Average Daily Turnover ("ADTO") (Average value of securities traded on the exchange each day, indicating the liquidity and activity level of the market over a specific period) for the cash market segment stood at ~₹955 billion for Q4FY2025, leading to a share of 17.3% in global equity cash market trades for Q4FY2025. With fresh issuance (Initial Public Offerings ("IPO") and Follow-on Public Offers ("FPO")) as a percentage of market capitalization in India is at less than 0.5% in FY2025, India has room to see more equity supply which could add to India's market capitalization over the next several years.

- **The structural shift from physical to financial assets, particularly towards equities, has been a key growth driver for the capital markets**

Indian households have traditionally favoured physical assets like real estate and gold for investment – with roughly 2/3rd of household savings (the sum of increase in financial assets and physical assets of household sector) flowing into these assets in the last decade. Whilst real estate remains the largest component of household balance sheets, much of it is tied up in primary residences and is not a discretionary asset. There is a growing preference in Indian households for financial assets, driven by smaller ticket sizes, easier diversification, lack of asset specific risks (especially in case of real estate), higher return potential, and superior liquidity. This has resulted in the contribution of financial assets in household savings growing from 40% in FY2012 to 47% in FY2024. The flow of household savings towards equities and mutual funds has also increased from ~5% in FY2020 to ~17% in FY2024 (refer to exhibit 4) with equities as percentage of household assets being ~6% in FY2024. Equities have emerged as the preferred asset class in the last five years with domestic inflows (by both Individuals and DII) rising to average monthly run rate of ~₹611 billion in FY2025, from ~₹110 billion in FY2020. Notably,

individual investors, participating through both direct stock ownership and mutual funds, emerged as net buyers of Indian equities on NSE for the first time in 11 years in FY2020, this has resulted in an increase in non-promoter ownership of NSE listed companies from ~12% in FY2015 to ~18% in FY2025.

Flow of Net Household Financial Savings Towards Equities and Mutual Funds



- **Despite rapid growth in last five years, it is still early days for Capital Markets in India**

Strong tailwinds in the last five years have led to significant growth in the number of investors in capital markets, but there still exists a significant growth opportunity in terms of penetration. Only 16 - 18% of the adult population in India have opened a demat account whereas there is only ~5% penetration for active broking accounts in CY2024, as compared to ~62% in US. The runway is >10 times when compared to developed countries like US. Furthermore, in terms of trading activity as well, whilst past few years have seen significant growth, across Stocks and Derivatives, it is still much lower compared to global peers, indicating a strong runway for expansion. As compared to USA, India's ADTO to Market Capitalization is approximately half whereas Premium Turnover (the market value of an option contract, specifically the amount paid by the buyer to the seller for the right (but not the obligation) to buy or sell the underlying asset) is approximately one-fourth. While India's mutual fund AUM-to-GDP ratio increased from ~10.9% in FY2020 to ~19.9% in FY2025, it is significantly lower when compared to the AUM-to-GDP ratio of advanced economies such as the US at ~132% and Japan at ~60% in CY2024. Future growth is expected not only in terms of number of users and their adoption but also in their behavior (trading activity, wealth/asset accumulation) in the capital markets.

In CY2024, India has 960 - 980 million bank-account holders. There are ~55 million unique mutual fund investors in June 2025. As per NSE data, ~48 million are NSE active clients as of June 30, 2025. As per NSE data, the number of NSE active clients as of March 31, 2025, reached ~49 million while the same was ~5 million in March 31, 2016. This implies that the NSE active clients have grown ~10 times between March 31, 2016, and March 31, 2025. There's a significant potential for expansion in India's capital markets, supported by large pool of individuals equipped to participate in equities. There are multiple factors that are expected to drive this shift, such as increasing formalization (in form of unique taxpayers) and larger user base with access to banking/ financial services, leading to a financially engaged population (24 - 25 million fixed deposit accounts as of July 2023). These factors coupled with India's ~458 million ultra high-income, high income and upper-middle-class individuals in CY2024, presents an opportunity for further growth in India's investment & wealth management.

- **Digital-first platforms have been at the forefront of growth across consumer-facing segments, including investment & wealth management**

Consumer-facing sectors such as Financial Services, Food Delivery, Retail, and Travel & Hospitality have been disrupted by digital-first platforms, which have scaled rapidly and achieved profitability by addressing key consumer pain points around access, convenience and transparency. In India, digitalfirst investment platforms are solving for user experience, access, simplicity and transparency. As a result, they accounted for 76 - 78% of active clients on the NSE in FY2025. While Portfolio Management Services ("PMS") and Alternative Investment Funds ("AIF") have remained predominantly RM-led, many digital first investment platforms are now focusing on leveraging technology and customer first principles to enhance the overall experience.

Digital-first platforms have disrupted multiple consumer-facing segments and have scaled successfully, in India and globally, delivering growth and margin expansion. Technology-led, digital-first platforms have addressed specific consumer pain points, delivering accessibility, convenience and transparency. Disruptive value propositions by digital-first platforms across consumer facing segments have led to them witnessing rapid and profitable growth. Digital-first platforms such as Groww, Zerodha, Angel One, Robinhood, Interactive Brokers, Nordnet, Kakao, etc. have transformed the investment & wealth management segments across emerging and developed economies. These platforms have disrupted the markets via multiple approaches – offering transparent cost structures & commission free trades, wide range of investment options and integrated savings and investment services through user-friendly mobile apps. These innovations have empowered individual investors across the globe with greater control over their financial decisions and fostering a more inclusive financial ecosystem. The Total Addressable Market for Investment & Wealth Management is ~₹1.1 trillion in FY2025 and is further projected to grow at CAGR of 15-17% till FY2030. In terms of value, the total addressable market of India's Investment and Wealth Management sector is ~₹1.1 trillion as of March 2025 and is expected to grow to ~₹2.2 - ₹2.6 trillion by March 2030. The market is expanding, driven by higher investor participation, growing disposable income and higher investible funds. The rise of digital-first platforms is democratizing access to capital markets and empowering investors to build and manage their portfolios with simplified content, information and tools.

- **India's investment & wealth management industry displays monopolistic competition - many players targeting same set of customers with a differentiated brand and products/services offering**

India's investment & wealth management market includes three key types of players - digital-first platforms, bank-led brokers, and wealth management players - each serving a distinct role in how investors access and manage investments.

- Digital-first platforms are focused on enabling self-directed investment through fully digital interfaces. They predominantly operate without a physical branch network, and their core proposition lies in ease of onboarding, intuitive product design, and low-cost access to capital markets.

- Bank-led brokers operate both digitally and through offline branches. Their core offering spans trade execution, access to capital market products, in-house research, financial products distribution as well as adjacent services such as investment banking, and institutional breaking. They are often positioned as part of a broader banking relationship, with relationship managers playing a key role in client engagement.
- Wealth management players focus on delivering advisory-led investment solutions and operate primarily via offline engagement, led by dedicated relationship managers. Their offering goes beyond execution to include portfolio structuring, risk profiling, and access to investment products such as PMS and AIFs. Some wealth platforms also offer full-service capabilities like brokers, depending on client segment and internal capabilities.

• **Comparison with listed entity –**

Name of the Company	Face Value Per Share (₹)	EPS	P/E	RONW (%) for FY25	NAV per equity share (₹)
Billionbrains Garage Ventures Limited	2	3.0	33.8	37.6%	8.9
Listed Peers					
Angel One Limited	10	130.0	19.2	20.9%	623.7
Motilal Oswal Financial Services Limited	1	41.8	23.4	22.7%	185.2
360 One WAM Limited	1	27.1	39.9	14.4%	188.9
Nuvama Wealth Management Limited	10	276.7	25.6	28.2%	979.1
Prudent Corporate Advisory Services Limited	5	47.3	54.0	29.3%	161.3

*Note –: 1) P/E Ratio has been computed based on the closing market price of equity shares on NSE on Oct 31, 2025.

2) * P/E of Billionbrains Garage Ventures Limited is calculated on EPS of FY25, and post issue no. of equity shares issued.

➤ **Key Risk:**

- Any downturn or disruption of the financial markets, which are affected by general economic, policy and market conditions in India and globally, may have a material adverse effect on their business and financial condition.
- Uninterrupted access to the company's technology platform is essential to their business. System failures and interruptions could adversely affect the availability or performance of their website, mobile applications or platform, and thereby adversely impact their business, financial condition and results of operations.
- They derived 84.5% and 79.5% of their revenue from operations from their Broking services in Fiscal 2025 and in the three months ended June 30, 2025, respectively. Any downturn in customers' willingness to use their Broking services could have an adverse impact on their business, financial condition and cash flows.
- Changing laws, rules and regulations may adversely affect their business, prospects and results of operations.
- The company's success depends on their ability to acquire and retain customers on their platform. Any failure to do so could have an adverse impact on their operations, financial condition and results of operations.
- They incurred losses in Fiscals 2024 and generated profits in Fiscal 2023, Fiscal 2025 and in the three months ending June 30, 2025, and 2024, respectively. If they are unable to generate adequate revenue growth and manage their expenses and cash flows as they grow, they may not be able to sustain their profitability.
- They derive a significant portion of their revenue from operations from their Material Subsidiaries, Groww Invest Tech Private Limited and Groww Creditserv Technology Private Limited. Any downturn in their subsidiaries' performance could have a material adverse impact on their business, financial condition, cash flows, and results of operations.
- Any actual or perceived cybersecurity, data or privacy breach could interrupt their operations and adversely affect their reputation, brand, business, financial condition and results of operations.
- The company's Subsidiaries have incurred losses in the past and may continue to incur losses. Further, a portion of the Net Proceeds will be invested in Groww Creditserv Technology Private Limited. They may be required to continue providing financial support to these subsidiaries, which may adversely affect their consolidated results of operations and financial condition.
- They had negative cash flows from operations in the three months ended June 30, 2025, and in Fiscal 2025, and may continue to do so in the near term as they expand their business and enhance their products and services. Failure to generate sufficient cash from operations could adversely affect their liquidity and their ability to fund their operations.

➤ **Valuation & Outlook:**

Founded in 2017, Billionbrains Garage Ventures Limited (Groww) is a Bengaluru-based fintech company offering a direct-to-customer digital investment platform that enables retail investors to build wealth through a wide range of financial products and services. The platform allows users to invest in mutual funds, stocks, F&O, ETFs, IPOs, digital gold, and U.S. equities. Its mobile app enjoys strong popularity, especially among mutual fund investors. Additionally, Groww provides value-added offerings such as Margin Trading Facility (MTF), algorithmic trading, New Fund Offers (NFOs), and credit solutions.

Groww has been a leading player in India's retail investing space and, according to Google Trends, recorded the highest search interest in the country among the top 10 brokers (by NSE active clients, as per NSE data) during Fiscal 2025. Among active users who have completed three years on the platform, 77.7% have remained with Groww. The company has also demonstrated strong and consistent retention in the first quarter following customer acquisition, with rates ranging between 84.8% and 92.9% across cohorts from Fiscal 2022 to March 31, 2025. Groww has developed most of its technology in-house, enabling the company to deliver a seamless and superior experience to its customers.

At the upper price band, the company is valued at 33.8x FY25 P/E, implying a post-issue market capitalization of ₹6,17,360 million. Groww seeks to strengthen its pan-India brand by focusing on trust, transparency, and financial inclusion while expanding its customer base organically through word-of-mouth and operating leverage. The company also plans to diversify its product suite with offerings like MTF, commodity derivatives, API trading, wealth management ('W'), LAS, and Bonds to enhance engagement, wallet share, and AARPU. Considering these factors, the IPO appears fully priced and is rated **"Subscribe – Long Term."**

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