IPO Product Note

RELIGARE | BROKING
Values that bind

Billionbrains Garage Ventures Ltd. (Groww) — Subscribe – Long Term

Issue Highlights	
Issue Open	November 4, 2025
Issue Close	November 7, 2025
Issue Price	Rs 95 - Rs 100 per share
Market Cap.	Rs 58,649 Cr - Rs 61,736 Cr
Total Issue Size	Rs 6,632.30 Cr
Of which	
Fresh Issue	Rs 1,060 Cr
Offer of Sale	Rs 5,572.30 Cr
Face Value	Rs 2 per share
Market Lot	150 Equity Shares
Issue Type	Book building IPO

Offer Structure	
QIB Category	75%
Retail category	10%
Non-Institutional	15%

Lead Book Running Managers

⇒ Kotak Mahindra Capital Co. Ltd.

⇒ JP Morgan India Pvt. Ltd.

⇒ Citigroup Global Markets India Pvt. Ltd.

⇒ Axis Capital Ltd .

Registrar To The Offer

⇒ MUFG Intime India Pvt. Ltd.

Research Analyst

Rajan Gupta

rajan.gupta1@religare.com

Key Highlights

- ***Company background:*** Incorporated in 2017, Billionbrains Garage Ventures Limited, operating under the Groww brand, is a leading financial technology company offering digital investment and wealth management services. Its core business includes enabling users to invest in equities, mutual funds, derivatives, ETFs, sovereign gold bonds, and fixed deposits, along with providing lending and advisory solutions through its subsidiaries. The company generates revenue mainly from brokerage income, distribution commissions, interest income, and advisory fees. Through its user-friendly app and platform, Groww aims to simplify investing and democratize access to financial products for retail investors across India.
- ***Market opportunity:*** India's investment and wealth management market, valued at ₹1.1 trillion in FY2025, is expected to grow to ₹2.2–₹2.6 trillion by FY2030 at a 15–17% CAGR, supported by rising financial literacy and digital adoption. With only 16–18% demat penetration and ~5% active traders, the market offers vast potential for Groww. As a leading digital investing platform, Groww is well-positioned to benefit from India's financialisation wave through expansion into wealth management, bonds, and lending. Its diversified offerings and strong execution capability can help it capture a significant share of India's rapidly expanding fintech and investment ecosystem.
- ***key strengths:*** Groww's strengths lie in its high customer retention and engagement, with first-quarter retention rates of 84.79% to 92.98% across cohorts since FY2022, reflecting strong user loyalty and price inelasticity. Its customer-centric design ensures a simple, transparent, and seamless investing experience through a unified app and website. The company's fully in-house technology stack enables efficient operations, product innovation, and low-cost scalability. Backed by strong execution capabilities, Groww has consistently delivered robust growth and improving profitability, positioning it as a leading digital platform in India's investment and wealth management space.
- ***Key strategies:*** The company aims to strengthen its brand as an all-India "pull" platform through its focus on trust and inclusivity. It plans to broaden its offerings across customer segments, leveraging profitability and differentiated experience as key filters. Continued investment in its in-house technology stack should enhance scalability and efficiency. Additionally, strategic acquisitions are expected to help Groww diversify into adjacent verticals, expand its product base, and drive higher AARPU, supporting sustainable long-term growth.
- ***Financials:*** Between FY23 and FY25, company delivered outstanding growth, with revenue rising from ₹1,141.5 cr to ₹3,901.7 cr, reflecting a CAGR of 84.9%. Profitability showed a marked improvement — PAT grew sharply from ₹457.7 cr in FY23 to ₹1,824.4 cr in FY25, driven by higher operational leverage and expanding market share. The company's EBITDA jumped from ₹398.8 cr (FY23) to ₹2,371 cr (FY25), underscoring business scalability.
- ***Valuation:*** Groww IPO valuations when judged on relative basis are more in like with peers around 30x to 40x PE range on TTM basis. Hence, seeing its leadership traits across parameters and industry strong tailwind we ascribe a Subscribe rating with long term prospectus.
- ***Key risks:*** Key risks for the company include volatility in financial markets, which could impact revenue and profitability, and a potential decline in customer participation in broking services. Regulatory changes and compliance requirements pose additional operational challenges. Furthermore, the company's limited track record in some products and rapid past growth may hinder its ability to sustain current performance levels. The company mitigates these risks through diversification, technology investments, and strong customer engagement.

Research Team	
Ajit Mishra	ajit.mishra@religare.com
Abhijeet Banerjee	abhijeet.banerjee@religare.com
Gaurav Sharma	gauravsharma2@religare.com
Ashwani Harit	ashwani.harit@religare.com
Divya Parmar	divya.parmar@religare.com
Rajan Gupta	rajan.gupta1@religare.com
Vivek Chandra	vivek.chandra@religare.com
Himanshu Gupta	himanshu.gupta1@religare.com
Vishvajeet Singh	vishvajeet.singh1@religare.com

Before you use this research report , please ensure to go through the disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014 and Research Disclaimer at the following link : https://www.religareonline.com/disclaimer

Specific analyst(s) specific disclosure(s) inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014 is/are as under:

Statements on ownership and material conflicts of interest, compensation– Research Analyst (RA)

[Please note that only in case of multiple RAs, if in the event answers differ inter-se between the RAs, then RA specific answer with respect to questions under F(a) to F(j) below, are given separately]

S. No.	Statement	Answer	
		Tick appropriate	
		Yes	No
	I/we or any of my/our relative has any financial interest in the subject company? **[If answer is yes, nature of Interest is given below this table]**		No
	I/we or any of my/our relatives, have actual/beneficial ownership of one per cent. or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appear-ance?		No
	I / we or any of my/our relative, has any other material conflict of interest at the time of publication of the research report or at the time of public appearance?		No
	I/we have received any compensation from the subject company in the past twelve months?		No
	I/we have managed or co-managed public offering of securities for the subject company in the past twelve months?		No
	I/we have received any compensation for brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation for products or services other than brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation or other benefits from the subject company or third party in connection with the research report?		No
	I/we have served as an officer, director or employee of the subject company?		No
	I/we have been engaged in market making activity for the subject company?		No

Nature of Interest (if answer to F (a) above is Yes : ……

Name(s) with Signature(s) of RA(s).

[Please note that only in case of multiple RAs and if the answers differ inter-se between the RAs, then RA specific answer with respect to questions under F (a) to F(j) above , are given below]

SS..No.	Name(s) of RA.	Signtures of RA	Serial Question of question which the signing RA needs to make a separate declaration / answer	Yes	No.

Copyright in this document vests exclusively with RBL. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose, without prior written permission from RBL. We do not guarantee the integrity of any emails or attached files and are not responsible for any changes made to them by any other person.

Disclaimer: https://www.religareonline.com/disclaimer