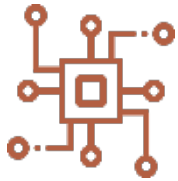


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03rd November, 2025

IPO Details	
Price Band (INR)	95-100
Face Value (INR)	2 per share
Issue Open/Closing Date	Nov 04, 2025 to Nov 07, 2025
Fresh Issue (in INR crores)	1060
OFS (in INR crores)	5572.30
Total Issue (in INR crores)	6632.30
Implied Market Cap (in INR crores; at higher band)	61,735

About the Company:

- Groww (Billionbrains Garage Ventures Ltd) is a direct-to-customer digital investment platform that provides wealth creation opportunities to customers through multiple financial products and services. It's 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 facility and personal loans.
- Groww is now India's largest retail stockbroker in terms of active customers
- 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 company's revenue from operations grew at a CAGR of 84.88% from fiscal 2023 to fiscal 2025, making Groww one of the two fastest growing companies amongst the top 10 brokers as per NSE active customers as of June 30, 2025,

Industry Outlook:

India's digital investing industry stands at a powerful inflection point driven by rising financialisation of household savings, record demat account openings, and the rapid shift of investors from traditional assets like gold and FDs toward equities and mutual funds. Retail participation now forms a structural rather than cyclical base, aided by technology, UPI integration, and growing financial literacy. The online broking industry, once dominated by full-service players, is being reshaped by discount and tech-led platforms like Groww, which combine low-cost execution with intuitive digital experiences. With over 200 million demat accounts, surging F&O and margin trading volumes, and mutual fund SIP inflows at all-time highs, the market size for digital investment platforms is expanding at a 25–30% CAGR. Against this backdrop, Groww is strategically positioned to capture this wave of financial inclusion and digitisation: its product-led model, deep retail reach, and multi-asset offerings (equities, F&O, MFs, IPOs, and now credit) align precisely with the direction in which India's retail investment ecosystem is headed. As the market formalises and trust-based digital brands dominate investor mindshare, Groww is poised to emerge as a category-defining fintech leader in India's next decade of wealth creation.

Object of the Issue
<ul style="list-style-type: none"> • Investment in one of the Material Subsidiaries, GIT • Expenditure towards cloud infrastructure • Brand building and performance marketing activities • Investment in one of the Material Subsidiaries, GCS, an NBFC, for augmenting its capital base • Funding inorganic growth through unidentified acquisitions

Strengths
High customer retention, engagement and price in-elasticity
Strong Brand Recognition and Trust:
In-house technology stack to deliver a differentiated experience at low cost

Risks
Changing laws, rules and regulations may adversely affect business
Reliability and System Risks
Market volatility may be exposed to adverse conditions due to an economic downturn

F&O Depth: Premium Turnover & Active Trader Expansion:

Derivatives are now the largest monetisation rail for discount brokers. Groww's next leg of growth is driven by more active F&O traders and higher option-premium turnover, supported by reliability/latency investments and simple flows. In buoyant markets this ratchets operating leverage (fixed tech + ops), while in cooler tapes disciplined risk controls avoid churn. The company highlights strong recent profitability and scale, creating room to reinvest into infra without compressing unit economic

MTF Scale-up (Margin Trading Facility):

Fresh capital is earmarked for Groww Invest Tech (GIT) to fund MTF a high-ROA, collateralised product that boosts ARPU and user stickiness. Clear pricing and in-app UX lower friction; exchange approved rules limit risk while interest income compounds with portfolio usage. As equity participation broadens, even single-digit penetration of eligible users can materially lift revenue

NBFC Synergy – Building a Credit Layer Over Investing:

Groww's creation of Groww Creditserv (NBFC) is a strategic masterstroke, turning the company from a pure transaction platform into a financial ecosystem with credit as a second revenue pillar. This NBFC will focus initially on loan against securities (LAS), margin financing, and possibly small-ticket consumer credit tied to investing goals. By funding this NBFC via IPO proceeds, Groww gains regulatory capital to expand its loan book without external dependence. This creates a flywheel where investing data informs credit underwriting (portfolio, cash flow, behavior patterns), reducing risk and improving yields. This can turn Groww into a hybrid between a broker, fintech lender, and wealth-tech platform. Importantly, because LAS is collateralised, asset quality risks are far lower than unsecured lending, giving Groww a sustainable ROA driven credit business.

Particular (in INR crores)	FY23	FY24	FY25
Revenue	1142	2609	3902
EBITDA	399	(781)*	2371
EBITDA Margin	34.9%	(29.9%)	60.7%
PAT	458	(805)	1824
PAT Margin	40.1%	(30.9%)	46.8%
EPS (in INR)	2.76	(4.32)	9.02
ROE (in %)	4.7	-7.2	18.9
ROCE (in %)	5.3	-2.1	16.4

Cloud Infrastructure & Platform Scalability – The Hidden Moat:

A large share of IPO proceeds is earmarked for cloud and technology infrastructure, highlighting Groww's commitment to long-term scalability. This investment is not cosmetic it underpins the entire trading experience, from login speed to real-time order execution. In peak market hours, discount brokers process millions of trades per minute, and downtime can destroy brand trust instantly. By migrating more services to dedicated cloud architecture, Groww ensures better load-balancing, higher uptime (targeting 99.99%), and lower latency, which is critical in derivatives trading. Moreover, a modernised tech stack reduces marginal server cost per trade, improving EBITDA margins structurally.

Multi-Asset Platform Synergy – Cross-Selling Beyond Brokerage:

Groww is deliberately evolving into a multi-asset, full-stack investing app, integrating equities, F&O, mutual funds, IPOs, and credit under one KYC and wallet. This single-platform strategy multiplies user monetisation potential each customer can contribute across multiple verticals

Our View:

Groww is not just a stockbroker going public; it is an emerging fintech infrastructure company—layering credit, data, and distribution on top of its transaction engine. The growth triggers outlined above represent a flywheel that can compound both user base and profitability for several years, provided execution discipline and regulatory navigation remain strong. Owing to strong developments, we recommend to **SUBSCRIBE**

*FY24 exceptional loss due to one-time US tax liability of INR 1,339 crs

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