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BILLIONBRAINS GARAGE VENTURES LIMITED

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IPO Report

04th Nov '25

Snapshot

Company is a direct-to-customer digital investment platform that provides wealth creation opportunities to customers through multiple financial products and services. Company is 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. Using the Groww app or website, customers can access tools, information and market insights across its products and services and build their investment and trading strategies.

VALUATION

Company is bringing the issue at price band of Rs 95-100 per share at p/e multiple of more than 41x on post issue anuualized Q1FY26 basis.
Groww is a well-known and preferred brand for investing across cities, towns and villages in India. Company have high customer retention, engagement and price in-elasticity.Also, company has In-house technology stack to deliver a differentiated experience at low cost . Company has Entrepreneurial and ownership-driven culture with strong execution delivering growth and profitability Hence, we recommend "Subscribe" to the issue.

Price Band (Rs./Share)	**95-100**
Opening date of the issue	**04th Nov '2025**
Closing Date of the issue	**07th Nov '2025**
No of shares pre issue	6,06,75,96,631 Eq Shares
Issue Size	Rs 6353-6632 Cr
Fresh issue	Rs 1060 Cr
Offer For Sale	5,57,230,051 Eq Shares
Face Value (Rs/ share)	Rs 2/share
Bid Lot	150
BIDDING DETAILS	
QIBs (Including Anchor)	75% of the offer (Approx 49,74,22,539 Eq Shares)
Non-Institutional	15% of the offer (Approx 9,94,84,507 Eq Shares)
Retail	10% of the offer (Approx 6,63,23,005 Eq Shares)
Employee Reservation	Upto Rs 15 Cr
Lead managers	Axis Capital, Kotak Mahindra Capital, J.P. Morgan India, Citigroup Global Markets India, Motilal Oswal Investment Advisors
Registrar to the issue	MUFG Intime India Pvt Ltd

WHAT WE LIKE

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

Amongst the top 5 brokers (by NSE active customers as of June 30, 2025), company garnered the highest share of new app downloads, at 38.18%, from the start of Fiscal 2022 until June 30, 2025 according to the Redseer report. Company's brand recall is also demonstrated by its organic customer acquisition. For example, in the three months ended June 30, 2025 and 2024, Fiscals 2025, 2024 and 2023, 83.16%, 82.96%, 83.63%, 81.10% and 81.03% customers, respectively, were acquired organically.

Company have high customer retention, engagement and price in-elasticity

Company also increase customer engagement on the platform by providing relevant and easily accessible information (through news releases, earnings announcements among others, which creates a regular cadence of content and information) to cater to customers' needs and interest and to enable them to make informed investment decisions.

Entrepreneurial and ownership-driven culture

At Groww, company's organizational culture combines a Promoter-led vision and strategy with an experienced execution team. Company have a pod-based team structure, where it operate through lean cross-functional teams to drive outcomes and make independent decisions. This helps company introduce new products and services, and release product/service or app updates quickly. Company advocate an entrepreneurial culture where everyone is encouraged to display ownership and be invested in company's growth. Company's employee stock option plan ("ESOP") encourages an entrepreneurial culture, with 77.29% of its employee (i.e., EPDD and Corporate & Others,

COMPANY BACKGROUND

Company's customers are individuals seeking to build financial assets by investing in capital markets. Company have a diverse customer base belonging to various socio-economic backgrounds, across cities, towns and villages in India, in 98.36% of pin-codes as of June 30, 2025. Furthermore, based on the KYC information, its customers are young, come from diverse backgrounds and from across India. For example, 43.21% of NTUs that onboarded on Groww in Fiscals 2024 and 2025 opened their first demat account with company. Company's young customer base is portrayed by ~45% of Active Users were less than 30 years and ~21% were between 31 - 35 years of age as of June 30, 2025. Company's diverse customer base is represented by (i) 3.3 million Active Users who are women as of June 30, 2025; (ii) its Active Users have different professions, including business owners, professionals, public sector or government employees, farmers, housewives and more; and (iii) ~81% Active Users are outside Delhi National Capital Region and top-5 cities1 as of June 30, 2025.

Company classify its customers based on their total assets invested with company or tracked on its platform.Customers with total assets (i.e., assets invested through Groww and other investments that they track 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 its 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 its platform directly with larger investible total customer assets and are older (having a median age of ~40 years as of June 30, 2025). Typically, company generate higher Annual Average Revenue Per User ("AARPU") from Affluent Users. Year 2024 and 2.47 million in the Financial Year 2025, standing at 0.70 million in the three months ended June 30, 2025.

At Groww, company's relationship with its customers typically does not end with the completion of a transaction. Company's focus is on building long-term relationships by providing its customers with a seamless investing experience and catering to their evolving needs over the years. Many of company's customers are still in the initial stages of investing. The median age of company's active users was ~31 years as of June 30, 2025. As a result, company believe its customers have the potential to spend many years investing with company, avail multiple products and services on its platform, with the opportunity to grow with company. 5.70 million Active Users use more than one product on Groww as of June 30, 2025.

OBJECTS OF OFFER

The Offer comprises a Fresh Issue of Equity Shares, aggregating up to ₹10,600.00 million by Company and an Offer for Sale of 557,230,051 Equity Shares, by the Selling Shareholders

Company proposes to utilize the Net Proceeds towards funding the following objects (collectively, referred to herein as the"Objects"):

1. Expenditure towards cloud infrastructure;
2. Brand building and performance marketing activities;
3. Investment in one of company's Material Subsidiaries, Groww Creditserv Technology Private Limited ("GCS"), a non banking financial company ("NBFC"), for augmenting its capital base;
4. Investment in one of company's Material Subsidiaries, Groww Invest Tech Private Limited ("GIT"), for funding its margin trading facility ("MTF") business; and
5. Funding inorganic growth through unidentified acquisitions and general corporate purposes.

RISKS

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 company's business and financial condition.

Source:RHP

Consolidated Financials **(Rs in Mn)**

BILLIONBRAINS GARAGE VENTURES LIMITED

Financials	FY23	FY24	FY25	Q1FY26
Total Revenue (A)	11415.26	26092.81	39017.23	9043.98
Total Expenditure (B)	7427.50	20437.97	15293.37	4211.09
EBIDTA	3987.76	5654.84	23723.86	4832.89
EBIDTA Margin	34.93	21.67	60.80	53.44
Other Income	1194.34	1867.09	1599.22	440.73
Depreciation	122.96	201.15	246.00	71.39
EBIT	5059.14	7320.78	25077.08	5202.23
Interest	20.72	41.98	425.49	164.19
PBT	5038.42	7278.80	24651.59	5038.04
Share of profit in Asso	0.00	-66.78	-13.77	-6.25
PBIT	5038.42	7212.02	24637.82	5031.79
Exceptional	0.00	-13396.84	0.00	0.00
PBT	5038.42	-6184.82	24637.82	5031.79
Tax	461.25	1869.98	6394.09	1248.12
PAT	4577.17	-8054.80	18243.73	3783.67
NPM	40.10	-30.87	46.76	41.84
ROE%	13.80	-31.66	37.57	6.31
EPS	0.86	-1.50	3.34	0.66
Eq Cap	206.61	207.33	3,656.30	4,187.70
Net Worth	33,167.72	25,426.84	48,554.45	59,955.44

(Source: RHP)

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