

Groww eyes IPO this year, targets \$6-8 bn valuation

Firm has held talks with multiple i-bankers for the purpose

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Mumbai, 13 January

Fintech firm Groww has kickstarted preparations for an initial public offering (IPO) in 2025 and has held discussions with multiple investment bankers, sources familiar with the matter said. The company, which is the largest broker and also the biggest mutual fund (MF) distributor, plans to raise around \$700 million (around ₹6,000 crore). This will be at a valuation of \$6-8 billion (around ₹69,000 crore at the higher end).

In the last funding round in October 2021, the company was valued at \$3 billion.

It started out as a direct plan distributor of mutual funds in 2017 and forayed into broking in 2020. In May 2024, the company relocated its parent entity to India from the US as part of the IPO preparation.

According to reports, the company reported a net loss of ₹805 crore in FY24, largely owing to a one-time tax payout for shifting base.

It has expanded its client base at a rapid pace in the past few years.

In September 2023, it went past Zerodha to become the largest brokerage in terms of number of clients.

In May 2024, it became the first brokerage to achieve an active client base of over 10 million. It is among the capital market players to benefit from the strong equity market rally and the subsequent growth in equity market investors. The number of demat accounts in India has skyrocketed since Covid-19. It was driven by simplified account opening, widespread smartphone adoption, and favourable market returns. Demat accounts have seen a surge in the last five years from 39.3 million in 2019.

At the end of December 2024, total demat



IN NUMBERS

\$700 million
Fundraise amount
planned

13 million
Active broking
clients

tally stood at 185.3 million.

The company joins a long list of firms that are expected to debut on the exchanges in 2025.

According to experts, momentum in the equity markets is likely to continue with IPOs worth \$35 billion in the next 12 months.

Tech companies that are expected to go public in 2025 include Zepto, Urban Company, Magicpin and Captain Fresh, among others.

Ninety-one firms raised ₹1.6 trillion through main board IPOs in 2024. The largest IPO in 2024 was from Hyundai Motor (₹27,859 crore), followed by Swiggy (₹11,327 crore) and NTPC Green Energy (₹4,275 crore).

New-age technology companies made a comeback after two quiet years with eight IPOs (Awfis, Blackbuck, Digit Insurance, Firstcry, Ixigo, Mobikwik, Swiggy, and Unicommerce). They raised ₹21,438 crore, according to a Prime Database report.