July 30, 2026

Billionbrains Garage Ventures Limited: Rating upgraded to [ICRA]AA (Stable)

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator (FSR)#
Issuer rating	-	-	[ICRA]AA (Stable); upgraded from [ICRA]AA- (Stable)	-##
Total	-	-		

**Instrument details are provided in Annexure I*

 # The Securities and Exchange Board of India's (SEBI) grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and Online Dispute Resolution (ODR) shall not be available for activities and instruments that fall under the regulatory purview of FSRs other than SEBI

Since no instrument has being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed

Rationale

To arrive at the rating, ICRA has considered the adjusted consolidated[1] financials of Billionbrains Garage Ventures Limited (BGV) while factoring in the support it is expected to provide to Groww CreditServ Technology Private Limited {GCS; the non-banking financial company (NBFC) of the Groww Group[2]}. BGV is a tech-platform company, which owns and operates the web and application-based platforms – Groww, Groww Credit and W. GCS is rated [ICRA]A+ (Stable)/[ICRA]A1+ while Groww Invest Tech Private Limited (GIT) is rated [ICRA]AA (Stable)/[ICRA]A1+. GIT is a leading player in the securities broking industry[3] and continues to enjoy the highest market share in terms of National Stock Exchange (NSE) active clients since Q2 FY2024. BGV is also the sponsor company of Groww AMC (through Groww Trustee) and manages the wealth business through Groww Wealth Tech Private Limited and the recently acquired Finwizard Technology Private Limited.

The rating upgrade factors in the sustained strengthening of BGV's franchise and market position in the securities broking industry through GIT, its augmented capitalisation profile following the successful initial public offering (IPO) in November 2025, healthy profitability trajectory notwithstanding recent industry headwinds, and strong liquidity. BGV continues to benefit from GIT's leading position in the equity broking segment. GIT, operating under the brand Groww, has sustained its position as a leading player in India's securities broking industry in terms of active clientele over the last ~11 quarters (since Q2 FY2024. It remains the principal operating entity within the Group and is the key contributor to BGV's standalone income, which emanates from the services offered to GIT as well as other Group entities. Accordingly, the growth in BGV's standalone as well as consolidated operating profitability, so far, is largely attributable to GIT's performance trajectory.

BGV's consolidated capitalisation profile was further augmented by the $202-million Series F capital raise in June 2025 and net IPO proceeds of ~Rs. 1,060 crore (post expenses of Rs. 44 crore) in November 2025. As on March 31, 2026, it reported a consolidated tangible net worth of Rs. 8,413 crore[4], with negligible gearing. While ICRA is cognisant of the Group's ongoing diversification into new lines of business, which may entail capital outlay in the near-to-medium term, the overall capitalisation profile is expected to remain comfortable for the current scale of operations and the near-term growth plans. BGV's healthy consolidated profitability is reflected by the 4-year average profit before tax and extraordinary items to net operating income (PBT/NOI) ratio of ~47% during FY2023-FY2026 despite interim headwinds amid regulatory changes in the broking segment and the uptick in impairment on financial instruments in FY2026.

The rating continues to take into account the Group's high dependence on capital market activities, notwithstanding the early stage of its diversification into other business segments. Capital markets are inherently volatile and cyclical in nature and the

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[1] List of entities considered for consolidation is as per Annexure II

[2] BGV and its subsidiaries/associates are collectively referred to as the Groww Group or the Group as per Annexure II

[3] GIT provides stockbroking services (including mutual fund distribution), margin trade funding (MTF) and depository services

[4] Net of goodwill of Rs. 1,239 crore

majority of BGV's consolidated revenues accrue from GIT, which is the broking arm of the Group. Further, it remains susceptible to regulatory changes as well as technological risks, given its predominantly online presence and the evolving fintech landscape. BGV's ability to maintain its leading position in the broking segment, while meaningfully and profitably scaling up the new businesses, will be a key driver of its credit profile.

The Stable outlook on the long-term rating reflects ICRA's expectation that the Groww Group will maintain a strong market position in the equity broking business, which will continue to support its healthy profitability trajectory. Further, the capitalisation is expected to remain comfortable, notwithstanding the proposed investments in new businesses and the associated gestation period, with some of these businesses yet to achieve a breakeven level.

Key rating drivers and their description

Credit strengths

Leading market position in equity broking segment – The Groww Group maintains a strong position in the equity broking segment through its key operating entity – GIT, which has been the leading player in the securities broking industry over the last ~11 quarters (since Q2 FY2024). GIT provides investment and trading services including stockbroking services, mutual fund distribution, MTF and depository services, and has sustained its top position in terms of NSE active clients, with a market share of ~29% as of June 2026. Aided by its sizeable client base, GIT's broking volumes increased, translating into an expansion in its market share while supporting its revenue growth. As GIT is the Group's flagship operating entity, its healthy performance continues to help BGV's overall financial profile.

Strong capitalisation – BGV's capitalisation was augmented by the $202-million Series F capital raise in June 2025 and net IPO proceeds of ~Rs. 1,060 crore (post expenses of Rs. 44 crore) in November 2025. Its strong capitalisation is characterised by the consolidated tangible net worth of Rs. 8,413 crore and negligible gearing as on March 31, 2026. Currently, the net worth is largely deployed in scaling up the MTF book and GCS' loan book, besides placing margins at exchanges. Further, a portion of the net worth was deployed in investments, which stood at ~Rs. 2,500 crore as on March 31, 2026, comprising listed debt instruments, commercial paper, Government securities, mutual funds and quoted/unquoted shares.

ICRA takes cognisance of the Group's ongoing diversification into new business lines, which may entail incremental capital outlay in the near-to-medium term. The recent acquisition of the wealth management platform, Fisdom, along with the continued scaleup of the asset management business, the MTF book, and the lending operations within GCS, would require near-term capital commitment. Nevertheless, the Group's overall capitalisation is expected to remain strong for the current scale of operations and the near-term growth plans. Additionally, notwithstanding the volatility likely to be imparted by the exposure to cyclical capital markets, cash accruals are expected to remain sizeable, which would support capital augmentation. In this context, while the company has not paid any dividend so far, the dividend policy and payout ratio, if introduced, will remain monitorable from a credit perspective, given the implication on earnings retention, capitalisation, and its ability to fund future growth through internal accruals.

Healthy profitability – BGV's consolidated earnings profile was constrained till FY2022, given the limited vintage of the Group in the equity broking space. However, the core earnings profile improved thereafter, supported by the strong performance of the broking business. The 4-year average PBT/NOI ratio was ~47% during FY2023-FY2026 despite interim headwinds amid regulatory changes in the broking segment and the uptick in impairment on financial instruments in FY2026. The average PBT/NOI improved to ~61% in FY2025 and FY2026. The return on net worth was 32.4% in FY2026 vis-à-vis 55.1% in FY2025, optically impacted by the expansion in the net worth in FY2026 after the equity raise and IPO. While ICRA notes that the Group's operating profitability has remained healthy and is on an improving trajectory, despite the impact of one-off items and regulatory changes in the broking segment, its ability to scale up the new businesses in a meaningful and profitable manner will remain a key monitorable from a medium-term consolidated profitability perspective. Additionally, its ability to maintain prudent credit costs across the lending business remains imperative.

Credit challenges

Concentrated dependence on capital markets; presence in other capital market segments yet to be established – The Group's revenues are predominantly linked to the inherently volatile capital markets, given the strong presence of the flagship entity, GIT, in the equity broking segment. Thus, the profitability remains vulnerable to market performance. GIT's primary source of revenue remains retail broking, contributing over 87% to net operating income (NOI) in FY2026, with the balance largely comprising interest income from fixed deposits and lending activities. Within broking, the share of revenue from the derivatives segment remains sizeable at ~73% in FY2026. Notwithstanding the concentration, the share of broking income in the overall NOI moderated to 87% in FY2026 from 90% in FY2025 and 93% in FY2024, supported by the gradual increase in net interest income. GIT forayed into the MTF business in FY2025, with the book expanding to Rs. 2,814 crore as of March 2026 from Rs. 602 crore as of March 2025.

The Group has initiated diversification into other lines of business, including secured lending through loan against shares (LAS) and loan against mutual fund (LAMF) at GCS, asset management through Groww Mutual Fund, and wealth management through the acquisition of Fisdom. However, these businesses are yet to contribute meaningfully to its revenues and profitability.

Ability to scale up new businesses profitably and achieve strong asset quality in the lending business – The Group has initiated diversification into other lines of business to tap cross-selling opportunities. This would require capital outlay in the near-to-medium term, especially for scaling up the lending business at GCS, the MTF book under GIT and the newly acquired wealth management business of Fisdom. The new businesses are largely in a nascent stage of operations. Initial losses, if any, during the gestation period or asset quality issues could impact the profitability to a certain extent, although the consolidated profitability is expected to remain healthy. The Group's ability to scale up these businesses profitably, while maintaining healthy asset quality and comfortable capitalisation, remains imperative.

High dependence on technology, elevated competition and evolving regulatory environment – Securities broking companies rely heavily on technology for trade execution and fund management. Thus, technical failures or disruptions pose operational and reputational risk. While the growth of discount brokers was phenomenal during the last few years, they would be at a comparatively greater risk of facing technology-related issues owing to their end-to-end digital presence. As a result, the company's ability to ensure uninterrupted platform stability and service continuity remains imperative for maintaining customer experience. Moreover, given the highly regulated nature of the industry, brokerage houses remain exposed to regulatory risk. Their ability to remain compliant with the evolving regulatory landscape remains crucial. The recent tightening in bank lending to capital market intermediaries could make more players tap money markets while exploring the debt market. Hence, an expansion in borrowing spreads for brokers cannot be ruled out completely, which may constrain the profitability trajectory of securities brokers.

Furthermore, a second-order impact on derivatives volume due to the reduction in participation from proprietary firms, given the tightening in bank lending regulations, cannot be ruled out. The recent hike in securities transaction tax (STT) could also affect profitability. Additionally, competitive intensity in this segment remains elevated. While the increasing financialisation of savings and the low share of wallet of the equity segment in household savings offer untapped potential for expansion in the broking sector over the longer term, the possibility of pressure on profitability, especially during downturns, cannot be ruled out.

Environmental and social risks

While financial institutions do not face any material physical climate risks, they are exposed to environmental risks indirectly through their portfolio of assets. Nonetheless, such risk is not material for BGV as ~70% of its lending operations are primarily focussed on capital market-related lending (MTF and LAS/LAMF). Further, its business activities are typically short-to-medium term in nature, which will allow it to adapt if required.

With regard to social risks, data security and customer privacy are among the key sources of vulnerability for financial institutions as material lapses could be detrimental to their reputation and invite regulatory censure. In this regard, while the company encountered a technical glitch between April 2026 and June 2026, it was not a material outlier compared to peers. Going forward, its ability to offer uninterrupted services will be imperative for maintaining customer experience. Moreover, it is noted that customer preferences are increasingly shifting towards the digital mode of transacting, necessitating the adoption of technological advancements, besides providing an opportunity to reduce the operating costs. BGV has been at the forefront of this transition, making investments to enhance its digital interface with its customers.

Liquidity position: Strong

BGV's consolidated liquidity requirements are largely for scaling up the MTF book at GIT, driving growth at GCS, and placing margins for the broking business. As on April 30, 2026, consolidated unencumbered cash and investments stood at ~Rs. 2,156 crore, of which ~Rs. 1,400 crore was parked in debt and equity instruments. While ICRA notes that certain funds would be needed to capitalise the other businesses apart from the MTF and lending business, which would require periodic support to fund the planned growth, the Group is expected to continue maintaining sufficient on-balance sheet liquidity. In this regard, the healthy profitability and resultant cash accruals are expected to augur well for the Group's liquidity profile.

Rating sensitivities

Positive factors – A significant diversification in the revenue profile, along with the achievement of a higher scale and relevance in the wealth management and asset management segments, while maintaining comfortable capitalisation and strong profitability would be a positive factor. Ensuring good control on the asset quality in the lending businesses will remain imperative.

Negative factors – A significant decline in the revenue from the broking business or a material increase in the leverage, leading to the weakening of the financial profile (PBT/NOI below 35% on a sustained basis), would be a negative factor. Inability to scale up the proposed businesses profitably, impacting the capital profile, and/or any sustained asset quality pressure in the lending business would also be a credit negative.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Stockbroking & Allied Services
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the rating, ICRA has considered the adjusted consolidated financials of BGV [excluding GCS (NBFC arms of the Group)] while factoring in the ordinary and extraordinary support that is expected to be extended to its subsidiary – GCS.

About the company

Billionbrains Garage Ventures Limited (BGV) is a tech-platform and the holding company of the Groww Group[5]. It was initially incorporated in January 2018 as a subsidiary of Groww INC. (based in Delaware, USA). Groww INC. was reverse merged into BGV in Q4 FY2024, making BGV the holding company of the Groww Group. BGV owns and operates the web and app-based technology platforms – Groww and Groww Credit. It provides services like software designing, maintenance, testing and benchmarking, designing, developing computer software and solutions, building and organising software tools, and marketing and innovation of licensed software. Additionally, the online credit distribution business was transferred to BGV from its wholly-owned subsidiary – Neobillion Fintech Private Limited.

The Groww Group offers various financial services such as: i) stockbroking, mutual fund distribution and depository services, MTF (housed under GIT); ii) personal loans and loan against shares and mutual funds on digital lending platforms (housed under GCS); iii) management of the investment portfolio of the mutual fund and providing various administrative services to the mutual fund and trustee company (Groww Asset Management Limited); iv) online technological facilitation/business correspondent or partner services to banks, NBFCs, financial institutions, etc. (previously housed under Neobillion and transferred to BGV w.e.f. April 1, 2024); and v) wealth management services (Finwizard Technology Private Limited and Wealth Tech Private Limited).

The company reported a PAT of Rs. 735 crore on NOI of ~Rs. 1,541 crore in Q1 FY2027.

Key financial indicators (audited)

BGV – Consolidated	FY2025	FY2026
Net operating income	3,945.9	4,709.2
Profit after tax	1,861.7	2,101.0
Net worth*	4,536.8	8,412.6
Total assets*	9,758.6	17,302.2
Gearing (times)	0.1	0.0
Return on average net worth	55.1%	32.4%

*Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; *Net of goodwill*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2027)			Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
	Type	Amount rated (Rs. crore)	Jul 30, 2026	Date	Rating	Date	Rating	Date	Rating
Issuer rating	Long term	-	[ICRA]AA (Stable)	Nov 28, 2025	[ICRA]AA- (Stable)	Sep 26, 2024	[ICRA]AA- (Stable)	Mar 01, 2024	[ICRA]AA- (Stable)
								Jan 23, 2024	[ICRA]AA- (Stable)

[5] *BGV and its subsidiaries are collectively referred to as the Groww Group*

Complexity level of the rated instruments

Instrument	Complexity indicator
Issuer rating	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance / Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator (FSR)#
NA	**Issuer rating**	NA	NA	NA	-	[ICRA]AA (Stable)	-##

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Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in the SEBI Master Circular for CRAs are being followed

Annexure II: List of entities considered for consolidated analysis

Company name	Ownership as on June 30, 2026	Shareholding as on June 30, 2026	Consolidation approach
Billionbrains Garage Ventures Limited	Holding company	NA	Full consolidation
Groww Invest Tech Private Limited (formerly Nextbillion Technology Private Limited)	Subsidiary	100%	Full consolidation
Groww CreditServ Technology Private Limited	Subsidiary	100%	Limited consolidation*
Groww Asset Management Limited	Subsidiary	100%	Full consolidation
Groww Trustee Limited	Subsidiary	100%	Full consolidation
Groww Pay Services Private Limited	Subsidiary	100%	Full consolidation
Groww Wealth Tech Private Limited	Subsidiary	100%	Full consolidation
Groww Serv Private Limited	Subsidiary	100%	Full consolidation
Neobillion Fintech Private Limited	Subsidiary	100%	Full consolidation
Billionblocks Finserv Private Limited	Subsidiary	100%	Full consolidation
Groww Insurance Broking Private Limited	Subsidiary	100%	Full consolidation
Groww IFSC Private Limited	Subsidiary	100%	Full consolidation
Finwizard Technology Private Limited	Subsidiary	100%	Full consolidation
Finwizard Technology Services Private Limited	Subsidiary	100%	Full consolidation
Finwizard Securities Private Limited	Subsidiary	100%	Full consolidation
Winiin Taxscope Private Limited	Subsidiary	100%	Full consolidation
Groww Foundation	Subsidiary	100%	Full consolidation
Saafe Fintech Solutions Private Limited (formerly Dashboard Financial Holdings Private Limited)	Associate	28.8%	Limited consolidation

*Source: Company; As on June 30, 2026; *In line with ICRA's analytical approach*

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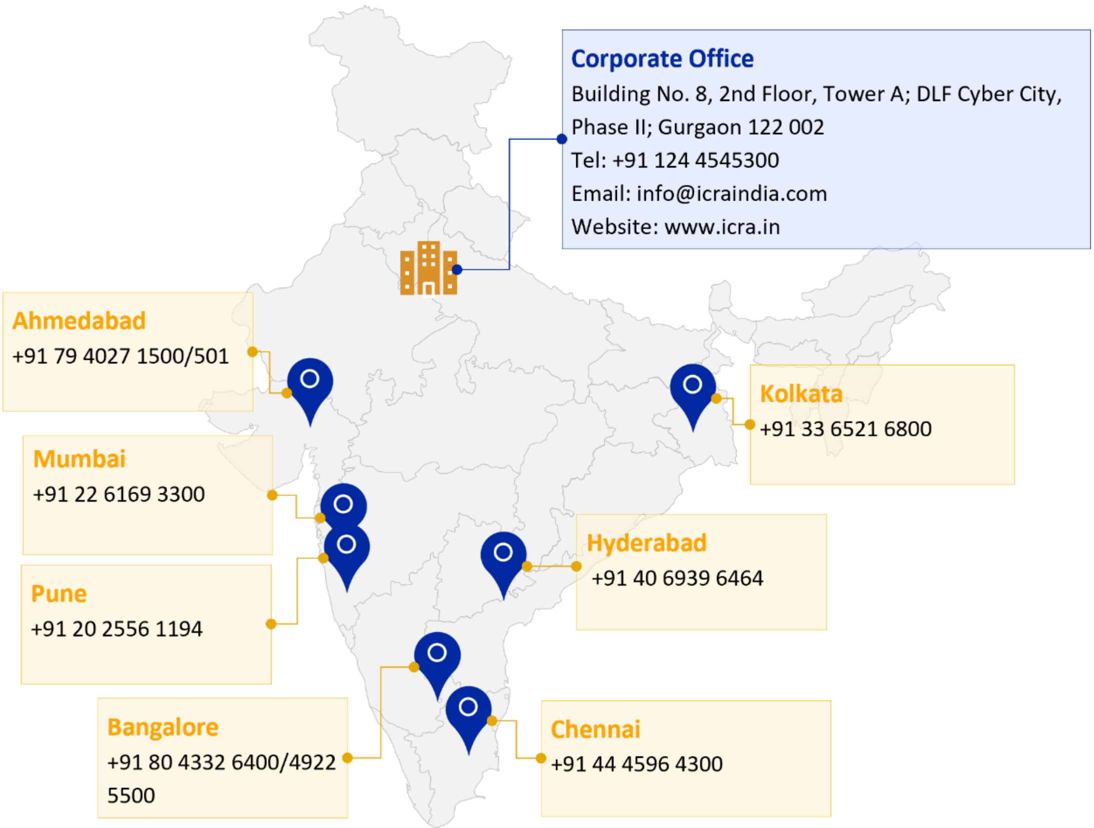

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