ZERODHA

Invest in everything

Online platform to invest in stocks, derivatives, mutual funds, ETFs, bonds, and more.

COMPANY PROFILE

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OVERVIEW

ZERODHA

- Company has an integrated financial ecosystem combining, ***Zerodha Broking, Zerodha Capital, and Zerodha Fund House*** on a unified platform. This structure enables seamless movement from trading and investing to secured lending and passive wealth creation, delivering a streamlined and comprehensive financial experience.

ZERODHA BROKING

Founded on 15 Aug 2010 and was launched in Bengaluru by founders Nithin Kamath & Nikhil Kamath who aimed to simplify trading and reduce brokerage costs for retail investors.

KITE- Its primary online **trading platform** for equities, derivatives, commodities, and currencies.

COIN- A direct **mutual fund investment platform** allowing commission-free investments.

Console- The back-office , **reporting platform** for portfolio tracking, P&L statements, tax reports.

Varsity- Free platform for **learning** stock market and trading basics.

ZERODHA CAPITAL

Company is the non-banking financial services arm (NBFC) of Zerodha Broking.

It focuses on **Loans Against Securities** (LAS) — offering credit against pledged stocks, ETFs and mutual funds.

Company incorporated in Karnataka in 2014, began scaled retail lending operations around 2021

Fully digital, typically approved quickly through Zerodha's systems.

ZERODHA FUNDHOUSE

Launched in 2022 and it's the asset management company (AMC) by Zerodha.

Zerodha Fund House is a **digital-first asset management** company started operations in October 2023

The product lineup includes index funds, ETFs, and fund-of-funds, providing diversified exposure across different asset classes.

₹4,000 crore in Assets Under Management and **4 lakh** unique investors

- Zerodha Broking- Company Website
- Zerodha Capital- Company Website
- Zerodha Fund House- Company Website

SWOT ANALYSIS

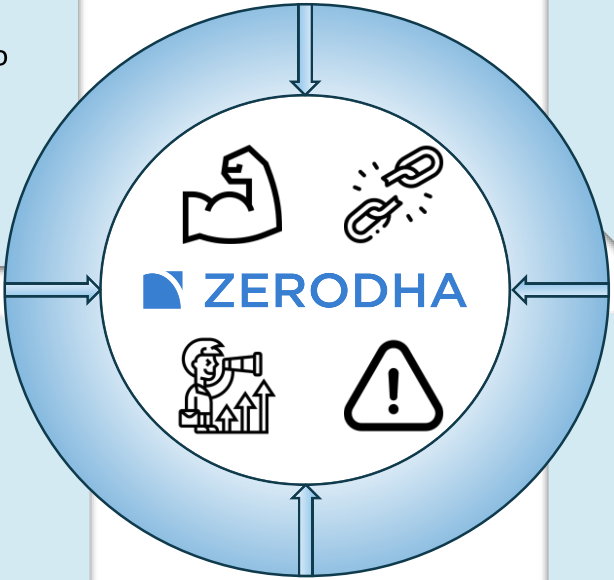
ZERODHA

STRENGTH

- **Market Leadership:**
  Manages ₹6 lakh crore in equity assets, representing ~10% of India's retail AUM.
- **High Profitability:**
  Achieved a ₹4,700 crore net profit in FY24 while remaining entirely bootstrapped and debt-free.
- **Product-Led Growth:**
  Relies on organic trust-building via Varsity, maintaining zero spending on traditional advertisements.
- **Diversified Ecosystem:**
  Expanded beyond brokerage into asset management and lending through Zerodha Fund House and Zerodha Capital.

WEAKNESS

- **Revenue Concentration:**
  Over-reliance on F&O income makes the firm highly vulnerable to SEBI's 2024–2025 regulatory crackdowns.
- **Limited Product Breadth:**
  Lack of in-house research and stock tips puts it at a disadvantage for novice investors compared to full-service brokers.
- **Conservative Marketing:**
  A zero-ad spend approach has led to market share erosion, allowing rivals like Groww to overtake it in active clients.
- **Platform Outage Risk:**
  Recurring technical glitches on Kite during peak volatility trigger user frustration and financial slippage.



OPPORTUNITY

- **Financialization of India:**
  Capitalizing on the structural shift of household savings from physical assets (gold/real estate) into financial securities.
- **Cross-Selling Potential:**
  Scaling high-margin credit products like Margin Trading Facility (MTF) and Loan Against Securities (LAS).
- **Passive Investing Boom:**
  Capturing long-term wealth through Zerodha Fund House, focusing on low-cost Index Funds and ETFs.
- **Developer Ecosystem:**
  Growing Kite Connect into foundational infrastructure for third-party startups to build custom trading apps.

THREAT

- **Intense Competition:**
  Market share has dropped to 15.3% as aggressive rivals like Groww now lead the industry in active users.
- **Regulatory Risk:**
  Tightened F&O rules and increased taxes threaten a potential 40% drop in brokerage revenue for FY26.
- **Market Cyclicality:**
  Reported a 15% revenue decline in FY25, signaling vulnerability to a maturing and cooling market cycle.
- **Platform Commoditization:**
  Rapid feature replication by newer fintechs challenges Zerodha to maintain its unique value proposition.

MILESTONES

ZERODHA

2010:
- launched India's first discount stockbroking platform.

2013:
- build a tech product to buy and sell stocks on a more user-friendly platform.

2015:
- launch of kite trading platform(tech first UX)

2016 :
- Crosses over 1 lakh active clients.
- API ecosystem enables third party / algo innovation.

2021:
- Launch of zerodha capital private Ltd.(NBFC) to offer loan against securities.

2022:
- Launch of zerodha fund house.
- Crossed 5 million active clients.

2010 — 2013 — 2015 — 2017 — 2019 — 2020 — 2022 — 2024 — 2025

2014:
- Launched Zerodha varisity an initiative to educate people about trading and investing in capital market .
- Launch of Rainmatter (fintech fund & incubator backing capital market startups).

2017:
- Launched coin mutual fund investing platform.

2019:
- Became India's largest stock broker.

2020:
- Achieved "unicorn" scale without VC funding.

2024:
- Crossed 7 million active users.
- Zerodha fund house crossed ₹1000 crore in assets under management.

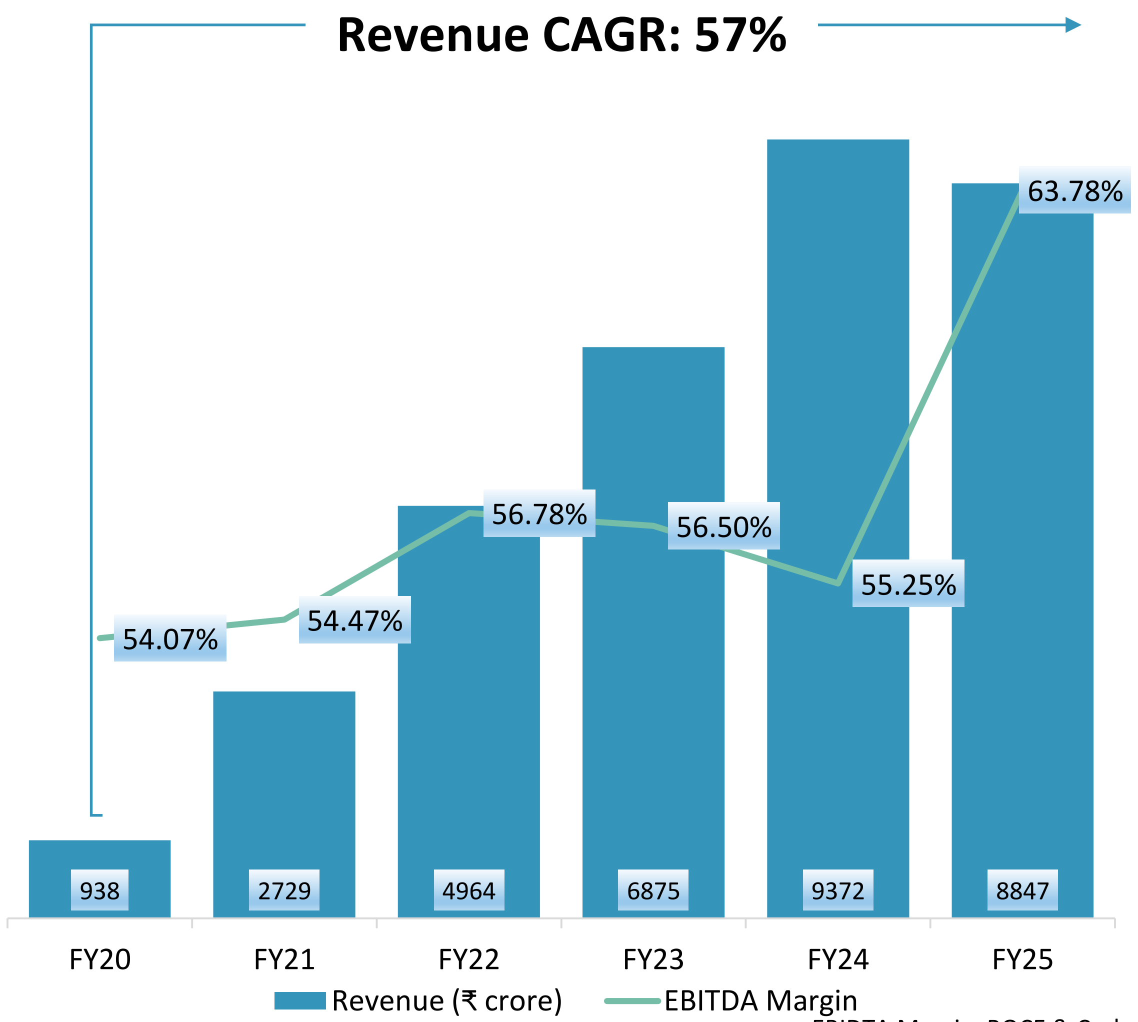
2025:
- Zerodha fund house crosses ₹ 8000 Cr AUM within 2 years of launch.

- Timeline - Startuptalky

Financial Highlights

ZERODHA

ZERODHA BROKING

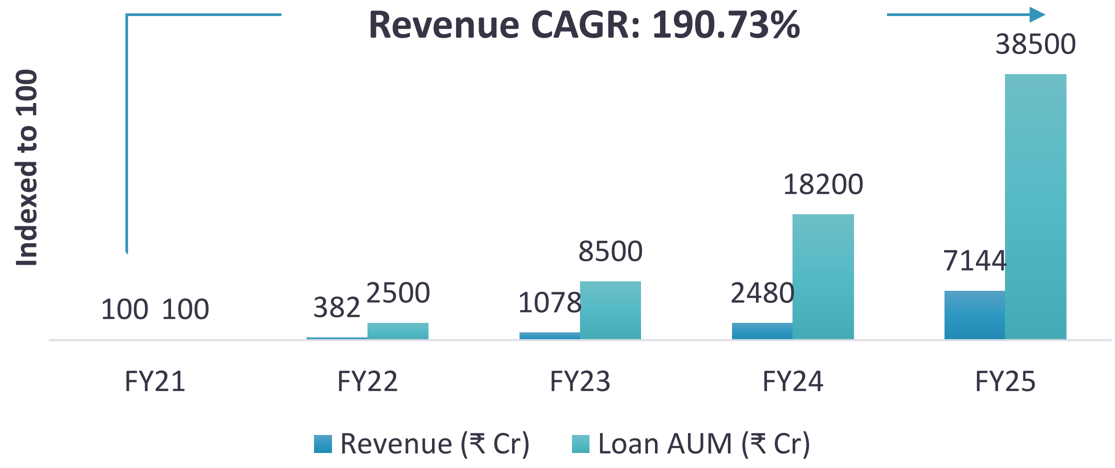


- **Massive Cash Reserve : ₹22,679 Crore**
- **Debt Free Structure**
- **Customer Assets (AUC): ₹6 Lakh Crore+**
- **Customer Acquisition Cost : Near Zero**
- **Orders per day : 15 millions**
- **Active clients : 6.85 million**
- **NSE Market Share : 15.29%**

EBIDTA Margin, ROCE & Cash reserve- entrackr | Client & Markey Share Metrics - entrakr | Average Daily Orders – scribd | Exchange volumes – entrepreneur | MTF Market Share- scanx

Financial Highlights

ZERODHA CAPITAL

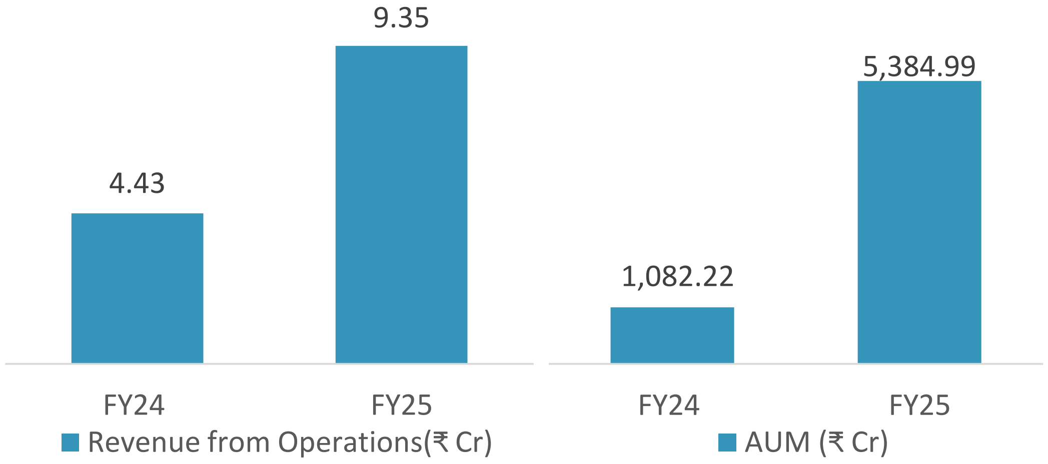


Company's Risk Asset Ratio (CRAR): 35.76%

ICRA assigned : AA- (Stable) / A1+ rating

ZERO NPA, rare in the NBFC sector

ZERODHA FUNDHOUSE



AUM : Passed ₹10,000 Crore Milestone

Flagship Product: The LIQUIDCASE

8 lakh unique investors

- Credit Rating, Rating & NPA – Entrepreneur
- Zerodha Fund House:- Company website
- Loan Book – Company Website

Management

ZERODHA

Nithin Kamath

Founder & Chief Executive Officer

- Has founded Zerodha in 2010 to overcome the hurdles faced during his decade long stint as a trader.
- He is a member of the Secondary Market Advisory Committee and Market Data Advisory Committee.

Nikhil Kamath

Co-founder & Chief Financial Officer

- Has plays a key role in financial planning, product strategy, investments, and ecosystem development.
- He backs fintech startups through Rainmatter.

Kailash Nadh

Chief Technology Officer

- Has done PhD in Artificial Intelligence & Computational Linguistics.
- He has been a developer from his adolescence and continues to write code every day.

Venu Madhav

Chief Operating Officer

- Has been backbone of Zerodha taking care of operations ensures rules and regulations.
- He owns several certifications in financial markets and also proficient in technical analysis..

Austin Prakesh

Director Strategy

- Has built a strong reputation as a self-made entrepreneur from Singapore, specializing in helping organizations scale by optimizing revenue streams and developing effective growth strategies.

Karthik Rangappa

Chief of Education

- Has single handedly wrote Varsity, Zerodha's massive educational program.
- He heads investor education initiatives in the company

- Company Website - About

INDUSTRY OVERVIEW

ZERODHA

OVERVIEW

Retail platform-Connects retail investors to financial market (stocks, bonds, ETFs)

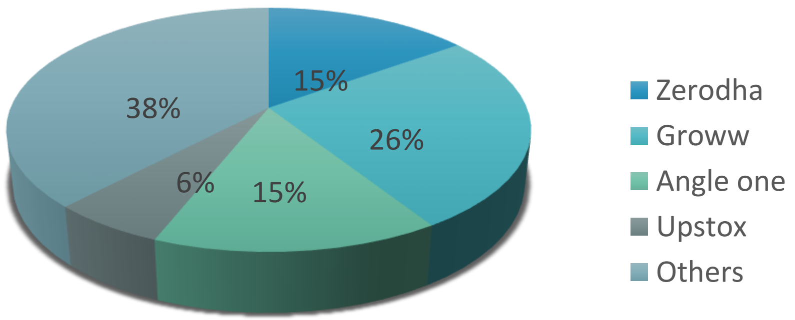
PLAYERS

- **Discount Broker**: (ex. Zerodha) Low cost, education only
- **Full-service Broker**: (ex. ICICI) Advisory & portfolio management

Regulated by SEBI, NSE, and BSE

Global trade growth : ~USD 97BN by 2035 (4.9% CAGR)

MARKET SHARE OF ACTIVE CLIENTS



TRENDS

AI Based investment tools

Mobile-first Trading platform

Expanding Broker Ecosystems

DRIVERS

Increasing Financial Literacy

Digital Adoption

Low Brokerage Fees

India E-Brokerage Market Report   E-Brokerage Market Report

Competitor Analysis

ZERODHA

Particular	Zerodha Broking	Groww	Upstox	Angel One	Motilal Oswal
Active Users (FY 2025) (in millions)	7.90	13.00	2.80	7.58	1.00
Market Share (Active Clients)	15%	26%	6%	15%	2%
Revenue (FY 2025) ₹ Cr	8847	3902	1208	4000	5161
Profit (FY 2025) ₹ Cr	4237	1824	215	1800	2016
Net Profit %	47.89%	46.75%	17.80%	45.00%	39.06%
Funding Status	Bootstrapped	VC-backed, IPO listed	VC-backed	Publicly listed	Publicly listed
Type of Broking	Discount	Discount & Digital Wealth	Discount	Hybrid/Discount	Full-service & Wealth
Pricing & Brokerage Structure	Flat ₹20/trade, free delivery	Flat ₹20 min, free delivery	Flat ₹20	Free delivery + tiered	Traditional brokerage (higher fees)
Products Offered	Equity, F&O, commodities, currencies, mutual funds, APIs	Equity, mutual funds, IPOs, US stocks, commodities, bonds, MTF & loans	Equity, F&O, commodities, currencies, NCDs, bonds	Equity, derivatives, mutual funds, advisory, IPOs	Equity, derivatives, wealth, research, PMS, MF, IB & private banking
Platform & Features	Advanced trading (Kite), API, Coin	Simple UI, multi-product investing	Feature-rich app / charts	Trading + research + advisory	Professional platforms + research & wealth tools

- Active users & market share: – Business Standard
- Funding & Business Model:- Owler
- Revenue & Profit: – The Economic Times
- The economic times