

## Gaming company Nazara expects to fetch Rs 580 cr with IPO opening March 17



Nazara Technologies, the homegrown [gaming company](#) backed by billionaire Rakesh Jhunjhunwala, will open its initial public offering (IPO) on March 17, with the issue price fixed at Rs 1,100-1,101 a share. The offer closes March 19.

The IPO is an offer for sale (OFS) of 5.29 million equity shares by promoters and shareholders. The price band's upper end will fetch around Rs 583 crore.

Since it is a complete OFS by existing selling shareholders, the company will not raise any money from the IPO. “Our company currently has Rs 300 crore of cash reserve and is able to grow on its own steam so we did not feel the need to raise additional cash immediately,” said Manish Agarwal CEO Nazara Technologies.

The company said its IPO get investors interested in the gaming industry, which had a market size of \$160 billion in 2020 and is fast-growing segment in media and entertainment. Mobile gaming, with a market size of \$76.57 billion in 2020, is expected to reach \$116 billion by 2023.

The promoters holding pre-IPO is 22.88 per cent and after the IPO it will be 20.61 per cent. Jhunjhunwala holds 11.5 per cent stake in Nazara.

Incorporated in 1999, Nazara offers a range of diversified gaming products across the Interactive gaming, eSports, and gamified early learning ecosystem across emerging markets including India, Africa, South East Asia, West Asia, and Latin America. The company is one of the leading live eSports streaming and on-demand eSports media content providers in India. It had raised Rs 100 crore in February from Instant Growth Ltd ahead of the IPO.

In FY20, revenue stood at Rs 247.5 crore against Rs 169.7 crore a year ago, while net loss stood at Rs 26.6 crore compared to a profit of Rs 6.7 crore a year ago. “Since 2015, as the company realised it needs to change gears to ensure that it continues to be at the forefront of growth in market, we have made a large number of acquisitions which have brought in a several intangibles on to our balance sheets but we remain Ebitda positive,” said Nitish Mittersain, Joint Managing Director, Nazara Technologies.

ICICI Securities, IIFL Securities, Jefferies India and Noumura are the lead managers to the issue.

Gaming Company