

Nazara hits lower limit after surging 84% on debut, stock ends 45% up



Shares of online gaming company [Nazara Technologies](#) surged as much as 84 per cent over their issue price during their trading debut on Tuesday. The stock failed to hold on to the gains as wealthy investors rushed to book profits. Heaving selling saw it hit its 20 per cent lower limit over the discovered price of Rs 1,990.

The discovered price is arrived at after an hour-long pre-open session in order to curb volatility. A stock is allowed to gain or fall a maximum of 20 per cent over the discovered price.

The stock ended the day at Rs 1,592, with a gain of 45 per cent over its IPO price of Rs 1,101.

Market players said the spate of recent weak listings forced high networth individuals (HNIs) to take gains at the table.

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“Shares of Nazara were expected to do well on the listing. The discovered price pointed to a strong opening. Having lost money in recent listings, HNIs got jittery and rushed to book profits at once. This weighed on the stock price. After a point, there were only sellers and no buyers,” explained an investment banker.

Nazara IPO had seen 175 times more demand than the shares on offer, second-most in 2021 after Mtar Tech. Investors had lapped up the shares in the IPO enthused by the prospects of the mobile gaming and electronic sports industry.

Analysts are expecting the company to post annualised revenue growth of 35-40 per cent over FY20-FY23.

Nazara’s IPO consisted of a secondary share sale worth Rs 583 crore. The IPO price of Rs 1,101. the company was valued at Rs 1,769 crore. After the first day of trade, the company’s market cap has increased to Rs 4,848 crore.

[Nazara Technologies](#)