# Sensex, Nifty climb for fourth straight session on firm trend in global markets


NEW DELHI, APR 24: Equity benchmark indices Sensex and Nifty ticked higher for the fourth straight session on Wednesday, helped by buying in metal and commodity stocks amid a positive trend in global equities.

However, intense selling pressure on telecom, IT and tech counters capped the upside, traders said.

The 30-share BSE Sensex climbed 114.49 points or 0.16 per cent to settle at 73,852.94. During the day, it jumped 383.16 points or 0.51 per cent to 74,121.61. The NSE Nifty advanced 34.40 points or 0.15 per cent to 22,402.40.

The indices witnessed some selling pressure towards the fag-end of the session that erased some initial gains. From the Sensex basket, JSW Steel, Tata Steel, Power Grid, Kotak Mahindra Bank, UltraTech Cement, NTPC and Bajaj Finance were the major gainers.

Tata Consultancy Services, Tech Mahindra, Maruti, Reliance Industries and Titan were among the laggards.

In Asian markets, Seoul, Tokyo, Shanghai and Hong Kong settled in the positive territory.

European markets were trading mostly with gains. Wall Street ended with gains on Tuesday.

Global oil benchmark Brent crude declined 0.35 per cent to USD 88.11 a barrel.

Foreign Institutional Investors (FIIs) offloaded equities worth Rs 3,044.54 crore on Tuesday, according to exchange data.

The BSE benchmark ended 89.83 points or 0.12 per cent higher at 73,738.45 on Tuesday. Trimming most of its early gains, the NSE Nifty ended 31.60 points or 0.14 per cent up at 22,368.

# Tata Passenger Electric inks MoU with Vertelo for delivering 2,000 units of Xpress-T EV

NEW DELHI, APR 24: Tata Passenger Electric Mobility Ltd. (TPEM), a subsidiary of Tata Motors Ltd., has signed a non-binding Memorandum of Understanding with Vertelo for the delivery of 2,000 XPRES-T EVs.

Tata Motors' Electric Vehicle (EV) arm will begin deliveries of the cars to Vertelo in a phased manner.

Early this week, Macquarie Group announced the introduction of $1.5-billion Electric Vehicle (EV) financing platform named Vertelo, which will offer financing, fleet management and charging infrastructure solutions.

Sandeep Gambhir, Chief Executive Officer, Vertelo stated that this partnership aims to bring together two businesses that are at the forefront of fleet electrification and decarbonisation in India.

"We hope that this partnership will help with accelerating the shift towards a more sustainable India by making bespoke leasing options available to fleet operators that help them onboard EVs in larger numbers," said Gambhir.

It may be recalled that In July 2021, Tata Motors launched the 'XPRES' brand exclusively for fleet customers, and the XPRES-T EV is the first vehicle under this brand. The new XPRES-T electric sedan comes with 2 range options – 315km and 277km (ARAI certified range under test conditions), as claimed by the company.

Vivek Srivatsa, Chief Commercial Officer, Tata Passenger Electric Mobility Ltd. said, "With over 89 percent market share in FY24, the fleet segment has seen a rapid adoption by Corporates and Institutions. The XPRES-T EV has proven to be an attractive option for both customers and operators in the commercial fleet segment. Such collaborations in the industry will further help strengthen our market position amidst India's EV revolution."

It may be recalled that Tata Motors had signed an agreement with BluSmart Electric Mobility to deliver 10,000 XPRES-T electric vehicles in June 2022, which was the biggest ever EV fleet order in the country. Nearly six months later, it forged a deal with Everest Fleet to supply 5,000 units of the aforementioned electric sedan.

In February last year, EV maker also joined hands with Uber India to supply 25,000 units of the same model.

# RBI bars Kotak Mahindra Bank from onboarding new customers online, issuing fresh credit cards


NEW DELHI, APR 24: Cracking down on repeated non-compliance of IT norms, the RBI on Wednesday barred Kotak Mahindra Bank from onboarding new customers through its online and mobile banking channels and issuing fresh credit cards with immediate effect after the regulator found "serious deficiencies" in the lender's IT risk management.

These actions, the RBI said, are necessitated based on significant concerns arising out of Reserve Bank's IT examination of the bank for the years 2022 and 2023 and the continued failure on part of the bank to address these concerns in a comprehensive and timely manner.

In an almost similar action, the RBI in December 2020 had barred HDFC Bank from issuing new cards and launching new digital initiatives after repeated instances of technological outages at the lender. The restrictions were later lifted in March 2022.

In a statement regarding the supervisory action against Kotak Mahindra Bank, the RBI said: "Serious deficiencies and non-compliances were observed in the areas of IT inventory management, patch and change management, user access management, vendor risk management, data security and data leak prevention strategy, business continuity and disaster recovery rigour and drill, etc."

The Kotak Mahindra Bank has been directed "to cease and desist", with immediate effect, from onboarding of new customers through its online and mobile banking channels and issuing fresh credit cards. The bank shall, however, continue to provide services to its existing customers, including its credit card customers.

"The bank shall, however, continue to provide services to its existing customers, including its credit card customers," RBI said.

For two consecutive years, the bank was assessed to be deficient in its IT Risk and Information Security Governance, contrary to requirements under Regulatory guidelines, the RBI added.

"During the subsequent assessments, the bank was found to be significantly non-compliant with the Corrective Action Plans issued by the Reserve Bank for the years 2022 and 2023, as the compliances submitted by the bank were found to be either inadequate, incorrect or not sustained," the RBI said.

In the absence of a robust IT infrastructure and IT Risk Management framework, the RBI said the bank's Core Banking System (CBS) and its online and digital banking channels have suffered frequent and significant outages in the last two years, the recent one being a service disruption on April 15, 2024, resulting in serious customer inconveniences.

"The bank is found to be materially deficient in building necessary operational resilience on account of its failure to build IT systems and controls commensurate with its growth," the central bank said.

The RBI further said that in the past two years, it has been in continuous high-level engagement with the bank on all these concerns with a view to strengthening its IT resilience, but the outcomes have been far from satisfactory.

It is also observed that, of late, there has been rapid growth in the volume of the bank's digital transactions, including transactions pertaining to credit cards, which is building further load on the IT systems, the Reserve Bank said.

"The Reserve Bank, therefore, has decided to place certain business restrictions on the bank as mentioned above, in the interest of customers and to prevent any possible prolonged outage which may seriously impact not only the bank's ability to render efficient customer service but also the financial ecosystem of digital banking and payment systems," the statement said.

The restrictions imposed will be reviewed upon completion of a comprehensive external audit to be commissioned by the bank with the prior approval of RBI, and remediation of all deficiencies that may be pointed out in the external audit as well as the observations contained in the RBI inspections, to the satisfaction of the Reserve Bank.

Further, these restrictions are without prejudice to any other regulatory, supervisory or enforcement action that may be initiated against the bank by the Reserve Bank, the central bank said.

Kotak Mahindra Bank Limited is scheduled to announce the consolidated and standalone audited financial results for the quarter and financial year ended March 31, 2024, on Saturday.

# Axis Bank issued 1.24 million new credit cards in Jan-March quarter


NEW DELHI, APR 24: Axis Bank on April 24 said it issued 1.24 million new credit cards in January-March quarter of FY24 and has been one of the highest credit card issuers in the country over the last nine quarters.

The Bank continues to remain among the top players in the Retail Digital banking space, it said. According to a press release, the bank has 96 percent share of digital transactions in the bank's total financial transactions by individual customers in Q4FY24.

Also, the bank opened 79 percent of the individual retail term deposits by volume through digital channels in FY24, it said, adding about 70 percent of the savings accounts were opened through tab banking in Q4FY24.

Similarly, about 74 percent of new mutual fund SIPs sourced by volume were through digital channels in FY24. About 39 percent YOY growth in total UPI transaction value was achieved in Q4FY24, the lender added.

Also, the bank saw 52 percent YoY growth in mobile banking transaction volumes in Q4FY24.

"The Bank's focus remains on reimagining end-to-end journeys and transforming the core and becoming a partner of choice for ecosystems," it added.

Axis Bank has reported a net profit of Rs 7,130 crore for fiscal fourth quarter as against a loss of Rs 5,762 crore in the year-ago period after it bought Citi Bank's India consumer division.

The private sector lender's net interest income (NII), the difference between the interest income it earned from lending activities and the interest paid to depositors, came in at Rs 13,089 crore, up 11.47 percent from the previous year's Rs 11,742 crore.

Axis Bank's gross non-performing asset (NPA) stood at 1.43 percent, down from 2.02 percent from the year-ago period. Net NPAs were at 0.31 percent compared to 0.39 percent.

The lender's board of directors has recommended dividend of Rs 1 per equity share of face value of Rs 2 per equity share for the year ended March 31, 2024. the gross slippage ratio of the bank at 1.48 percent, declined 28 bps YoY and net slippage ratio at 0.57 percent.

# Indian Hotels' net profit surges 27% to Rs 418 cr in Q4; declares Rs 1.75 dividend

NEW DELHI, APR 24: Indian Hotels Company's net profit jumped 27.43 percent year-on-year to Rs 418 crore in the fourth quarter of the financial year 2023-34, according to an exchange filing issued in April 24. The company also declared a dividend of Rs 1.75 per share.

In the same period previous year, the net profit stood at Rs 328 crore.

The company's consolidated revenue for the March quarter stood at Rs 1,951 crore, increasing from Rs 1,625 crore in the same period last year. For the full year, the net profit recorded a 26 percent year-on-year increase at Rs 1,259 crore, while the revenue grew 17 percent to Rs 6,952 crore.

The company's EBITDA grew 23.2% to Rs 659.7 crore from Rs 535.5 crore in the year-ago period, while the EBITDA margin was at 34.6 percent compared to 33 percent.

The stock price of the company saw a marginal rise of 0.67 percent to Rs 608.25 on BSE on April 24.

Puneet Chhatwal, managing director & CEO of IHCL, said the company will continue to deliver double digit growth in FY25.

"Looking ahead at FY25, IHCL will continue to deliver double digit revenue growth with new businesses at 30%, and opening of 25 hotels. IHCL will also introduce the re-imagined Gateway, a full-service hotel offering in the upscale segment, an ideal fit to capture growth opportunities in emerging micro markets in metros and Tier II and Tier III cities."

He further said, "The brand roll-out starting with 15 hotels will commence with launches in Bekal and Nashik this quarter followed by destinations like Bengaluru, Thane and Jaipur. The brand will scale to a 100 hotels portfolio by 2030."

# HUL Q4 results: Net profit falls 6% to Rs 2,406 cr; FMCG firm declares Rs 24 dividend


NEW DELHI, APR 24: Hindustan Unilever Ltd on April 24 reported 6% fall in standalone net profit at Rs 2,406 crore for the fiscal fourth quarter as against Rs 2,552 crore in the year-ago period.

Hindustan Unilever's sales rose only marginally to Rs 14,693 crore in the fourth quarter, with revenue in a key segment, beauty and personal care, declining 2.7%. HUL announced final dividend of Rs 24 per share for FY24 on equity shares of face value of Re 1. The company had earlier paid an interim dividend of Rs 18 per share on November 16, 2023. The total dividend for FY24 amounts to Rs 42 per equity share of face value of Re 1 each.

Analysts projected a profit of Rs 2,435 crore on revenue of Rs 14,913 crore, according to the average of nine brokerage estimates.

On April 24, HUL's shares on BSE closed trading marginally lower at Rs 2,260.05 apiece.

Rohit Jawa, CEO and Managing Director, said: "In FY24 we delivered a resilient performance with 3% USG and crossed Rs 10,000 crores Net Profit mark. We remain focused on driving operational excellence and have continued to build back our gross margins whilst stepping up investment in brands and long-term capabilities. Looking forward, I am optimistic of consumer demand gradually improving due to a normal monsoon and better macro-economic indicators.

"With rising affluence, under-indexed FMCG consumption and a strong digital infrastructure, I remain very confident of the medium to long-term potential of Indian FMCG sector. To serve the evolving aspirations of Indian consumers, we have embarked on a journey of 'Transform to Outperform'. Our key thrusts of Growing our Core through Unmissable Brand Superiority, Market making and Premiumisation, Re-shaping our portfolio to high growth spaces and Leadership in Channels of future, backed by our distinctive capabilities will enable us to continue winning in the Indian FMCG sector."

The company's home-care segment, its biggest one, which houses brands like Surf Excel and Comfort, posted mid-single-digit percentage volume growth led by outperformance in Vim liquid.

# Syngene International March quarter net profit up 6% to Rs 189 crore, revenue down 8%

NEW DELHI, APR 24: Syngene International reported a net profit of Rs 188.6 crore in the quarter ended March 31, 2024, a rise of five percent from Rs 178 crore recorded by the listed contract research and manufacturing services arm of Biocon a year back. The company's net profit increased from Rs 112 crore it had posted in the December quarter.

Syngene's revenue in the fourth quarter of the reported financial year fell eight percent on a year-on-year basis to Rs 916.9 crore, compared to Rs 994 crore in Q4FY23. On a sequential basis, the revenue rose from Rs 853.5 crore the pharma R&D firm had posted the previous quarter.

For the full year ending March 31, 2024, revenue from operations was up 9 percent to Rs. 3,489 crore resulting in profit after tax, before exceptional items, up 12 percent to Rs. 519 crore.

Syngene's EBITDA came in at Rs 333 crore in Q4FY24 against Rs 337 crore it had posted a year ago. The Biocon subsidiary's EBITDA margin rose to 36 percent in the March quarter on a YoY basis. Its margin was at 33 percent in Q4FY23.

"While the fourth quarter performance came in lower than expected, the underlying driver - reduced demand for research and development services within US biotech stemming from a difficult funding environment - is well understood and already showing positive signs of recovery," said Jonathan Hunt, Managing Director and Chief Executive Officer, Syngene International Limited.

"We expect the EBITDA margin to be similar to the level delivered in fiscal year 2024 and PAT growth in single digits. The long-term indicators for the sector are positive and I am confident that we will continue to perform well in the long term," Hunt added.

Syngene International Ltd is the country's largest integrated CRAMS/CRDMO, offering services to various sectors, including pharmaceuticals, biotechnology, and consumer goods.

Earlier in the month, Goldman Sachs had initiated coverage on Syngene and had given a 'buy' call.

Goldman Sachs expects Syngene to benefit significantly from the China+1 trend due to its end-to-end service capabilities. Despite short-term macro challenges in CY24, multiple catalysts are anticipated, including improvements in biotech funding, the ramp-up of manufacturing plants, and new contract wins, especially amid the anti-China sentiment.

Progress on the US Biosecure Act could also bring disproportionate benefits to the company, according to Goldman Sachs.

Shares of the company closed at Rs 694, down 1.01 percent on NSE on 24 April.