Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	81,374	-0.1	4.1
Nifty-50	24,717	-0.1	4.5
Nifty-M 100	57,776	0.6	1.0
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	5,936	0.4	0.9
Nasdaq	19,243	0.7	-0.4
FTSE 100	8,774	0.0	7.4
DAX	23,931	-0.3	20.2
Hang Seng	8,359	-0.9	14.7
Nikkei 225	37,471	-1.3	-6.1
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	67	4.5	-9.9
Gold ($/OZ)	3,382	2.8	28.8
Cu (US$/MT)	9,668	1.3	11.7
Almn (US$/MT)	2,461	0.9	-2.6
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	85.4	-0.2	-0.3
USD/EUR	1.1	0.8	10.5
USD/JPY	142.7	-0.9	-9.2
YIELD (%)	**Close**	**1MChg**	**CYTD chg**
10 Yrs G-Sec	6.3	-0.02	-0.5
10 Yrs AAA Corp	7.0	0.00	-0.2
Flows (USD b)	**2-Jun**	**MTD**	**CYTD**
FIIs	-0.3	1.43	-10.5
DIIs	0.62	8.55	33.0
Volumes (INRb)	**2-Jun**	**MTD***	**YTD***
Cash	1,170	1170	1057
F&O	1,04,683	1,04,683	2,08,381

Note: Flows, MTD includes provisional numbers.
*Average

Today's top research idea

Go Fashion - Initiating Coverage: Get set, GO in style!

- Go fashion (Go Colors) is a market leader in the fast-growing Indian women's bottom-wear segment which is valued at INR135b in 2020 and is growing at 12% CAGR fastest in the industry. Its early-mover advantage, coupled with a sharp D2C strategy and wide product range (50+ styles, 120 colors), has helped it secure an 8% market share by FY20.
- The company's EBO-led model remains its core growth driver, backed by capital-efficient unit economics-with ~44% post-tax RoCE, and a payback period of 18-24 months. As of FY25, Go Colors operates 776 EBOs across 180 cities. The company targets entry into 20-25 new cities annually, aiming for presence in over 250 cities by FY28, underpinned by ~100 store additions per year.
- We model 16% revenue CAGR over FY25-28E, with ~135bp pre-IndAS EBITDA margin expansion to 18.2%. Expect EBITDA/PAT to clock 19%/20% CAGR, over FY25-28E. Strong operational cash flows are expected to result in cumulative OCF/ FCFF of INR3.7b/INR2.5b.
- We value the stock at 45x FY27E EPS to arrive at our TP of INR1,127. We initiate coverage on the stock with a BUY rating.

Research covered

Cos/Sector	Key Highlights
Go Fashion	Initiating Coverage: Get set, GO in style!
Bulls & Bears	Market continues its upward momentum; Midcaps/smallcaps outperform largecaps
Vodafone Idea	AGR relief and debt raise remain key for LT survival
Bata India	Steady volume growth recovery is vital
Automobiles	Demand remains subdued in most segments except tractors

Chart of the Day: Go Fashion | Initiating Coverage (Get set, GO in style!)

Robust unit economics

Particular	INR/ sq. ft.	INR m/ Store.	Comments
Store size (sq. ft.)	450		
Capex	3,800	1.7	
Deposits	1,000	0.5	
Working Capital	3,800	1.7	
Total Capital Employed	**8,600**	**3.9**	
Revenue/sq. ft.	21,000	9.5	❖ Company avg. is INR8m & INR18K/Sq.ft
Gross Margins	68%	68%	
Gross Profit	14,280	6.4	
Employee Cost	2,500	1.1	❖ 3 Employees (20K each) and 1 Manager (35K)
% of sales	11.9%	11.9%	
Rent Per Sq.ft	4,200	1.9	❖ INR350/Sq.ft/month - in High Street/Airport
% of sales	20%	20%	
Other Expenses	2,100	0.9	
% of sales	10%	10%	
EBITDA	**5,480**	**2.47**	
EBITDA Margin %	26%	26%	
Depreciation	380	0.2	❖ Assuming 10 years of life
EBIT	**5,100**	**2.3**	
Post-tax ROCE	**44%**	**44%**	

Research Team (Gautam.Duggad@MotilalOswal.com)

In the news today

Kindly click on textbox for the detailed news link

1

US probes alleged Iranian LPG shipments via Adani's Mundra Port, says WSJ report; Adani Group calls it 'baseless'

The US Department of Justice (DoJ) is said to be reviewing the activities of several LPG tankers used for shipments to Adani Enterprises, the WSJ report added, citing sources familiar with the matter.

2

HCLTech partners with UiPath to speed up agentic automation globally

The partnership will drive large-scale transformation for enterprises across industries, enabling more intelligent and self-sufficient business process operations that require minimal human intervention. HCLTech will leverage its AI expertise to deploy the UiPath Platform, enabling...

3

Torrent Power signs long-term LNG deal with BP Singapore

The company has signed a long-term sales and purchase agreement (SPA) with BP Singapore Pte Limited, a subsidiary of global integrated energy company BP, for the supply of up to 0.41 MTPA (million tonnes per annum) of LNG from 2027 to 2036.

4

Jindal Stainless acquires stake in renewable energy SPV for 282 MW hybrid power project

The company said this move aligns with its long-term commitment to transition to clean energy and achieve net-zero carbon emissions by 2050. The project is expected to supply approximately 700 million units of renewable power annually.

5

Biocon gets regulatory nod for GLP-1 diabetes drug Liraglutide in India

The approval was granted by India's drug regulator, the Central Drugs Standard Control Organisation (CDSCO), under the recently introduced 101 route — which allows for faster approval based on prior clearances from globally recognised regulators. The generic version of Novo Nordisk's Victoza is indicated for treating Type 2 diabetes in adults, adolescents, and children aged 10 and above, as an add-on to diet and exercise

6

Bankruptcy court admits insolvency resolution plea against Reliance Infrastructure

The NCLT's Mumbai bench has initiated insolvency proceedings against Reliance Infrastructure following a petition by IDBI Trusteeship Services over unpaid dues exceeding Rs 88 crore. Tehseen Fatima Khatri has been appointed as the interim resolution professional.

7

KKR lends $600 million to hospital chain Manipal Group

KKR has invested $600 million in debt funding into Manipal Group, a leading hospital chain in India. This financing, arranged by KKR Capital Markets, will support Manipal's expansion and growth plans by providing flexible capital. KKR's investment, made through its Asia Pacific Credit strategy, demonstrates its commitment

Go Fashion

BSE Sensex	S&P CNX
81,374	24,717

CMP: INR861 TP: INR1,127 (+31%) Buy

GO COLORS!

Bloomberg	GOCOLORS IN
Equity Shares (m)	54
M.Cap.(INRb)/(USDb)	46 / 0.5
52-Week Range (INR)	1408 / 660
1, 6, 12 Rel. Per (%)	7/-27/-23
12M Avg Val (INR M)	88

Financials & Valuations (INR b)

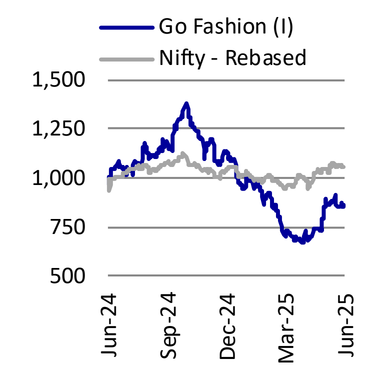
Y/E March	FY25	FY26E	FY27E
Sales	8.5	10.0	11.6
Pre IND AS EBITDA	1.4	1.8	2.1
Adj. PAT	0.9	1.1	1.4
EBITDA margin %	16.9	17.8	17.9
Adj. EPS (INR)	17.3	19.9	25.0
EPS Gr. (%)	13.0	15.4	25.5
BV/Sh. (INR)	128.9	144.9	164.9
RoE (%)	12.6	12.9	14.2
RoCE (%)	19.1	21.5	23.5
Valuations			
P/E (x)	46.2	43.2	34.4
Pre IND AS EV/EBITDA (x)	28.4	24.4	20.4

Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	52.8	52.8	52.8
DII	33.3	32.9	31.9
FII	11.7	12.0	12.2
Others	2.3	2.4	3.2

FII includes depository receipts

Stock's performance (one-year)



Get set, GO in style!

- Go Fashion (GOCOLORS), operating under the brand *'Go Colors'*, is a pioneer and category leader in the women's bottom wear market, holding an 8% share of the organized market. Leveraging its first-mover advantage, GOCOLORS has successfully established a direct-to-consumer (D2C) brand, offering a wide range of products through 776 exclusive brand outlets (EBOs) across 180 cities.
- Positioned as a core wardrobe essential, ***bottom wear*** addresses functional, repeat-use needs and is less susceptible to fashion cycles compared to top wear. Its year-round relevance supports steady demand and operational stability, enabling companies to exercise strong pricing discipline. Valued at INR135b in 2020, this segment is the fastest-growing sub-category (~12% CAGR) within the apparel market. It remains highly fragmented and unorganized, with organized retail penetration likely to be only ~38% in 2025.
- GOCOLORS's success stems from: 1) its exclusive focus on women's bottom-wear, a structurally underserved category, which enabled the company to build deep domain expertise, high product variety, and strong brand recall, and 2) its early transition to the EBO model, which provided complete control over pricing, merchandising, and consumer experience. This distinctive approach enabled GOCOLORS to establish a scalable, brand-led retail presence across metros and Tier 2/3 cities, reinforcing its leadership in a high-repeat, functional apparel category.
- During FY19-25, GOCOLORS delivered a healthy revenue/Pre-IND-EBITDA/ PAT CAGR of 20%/19%/20%, underpinned by its EBO-led expansion strategy. EBOs, contributing ~73% of revenue, posted a 22% CAGR, which was supported by a 15% CAGR in store additions. While improved channel mix and benign input costs drove ~350 bps expansion in gross margins (to 63.3%), negative operating leverage in FY25 offset margin gains, keeping EBITDA margins flat at ~17%. Despite this, the company generated INR3.3b in CFO and INR1.6b in FCFF, sustaining a healthy RoCE of 18%.
- **Valuation & View:** GOCOLORS is well-positioned to leverage its leadership in the women's bottom-wear segment and D2C model, with significant expansion potential beyond its current presence in ~180 cities. We model a 16% revenue CAGR over FY25–28E, led by an 18% growth in EBO/online channels. While its gross margin may contract ~130bp due to RM benefit pass-through, its operating leverage is likely to drive ~135bp EBITDA margin expansion to 18.2%. EBITDA and PAT are projected to clock 19%/20% CAGR, over FY25-28E. Strong operational cash flows are expected to result in cumulative OCF/ FCFF of INR3.7b/INR2.5b.
- **Following the recent correction, the stock currently trades at 34x FY27E EPS. We value the stock at 45x FY27E EPS to arrive at our TP of INR 1,127. We initiate coverage on the stock with a BUY rating.**
- **Key Risks:** (i) Higher concentration on Reliance Retail (19% sales in FY24), subdued retail environment, (iii) Increasing competitive intensity, (iv) Promoter Pledge (11.3% of Equity).

Valuation snapshot

Particulars	INR/share
FY27 EPS	25.0
Target P/E ratio (x)	45
Equity value/share (INR)	**1,127**
CMP (INR)	861
Upside/downside (%)	**31**

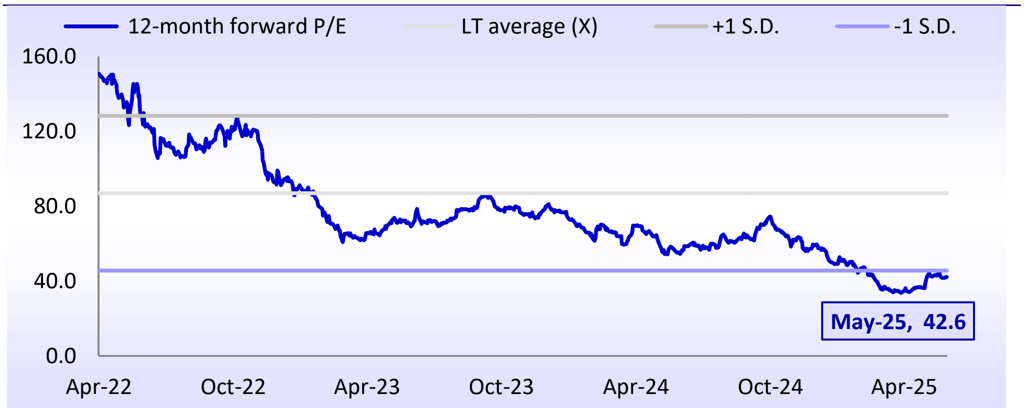
Source: MOFSL, Company

Comparative valuation summary

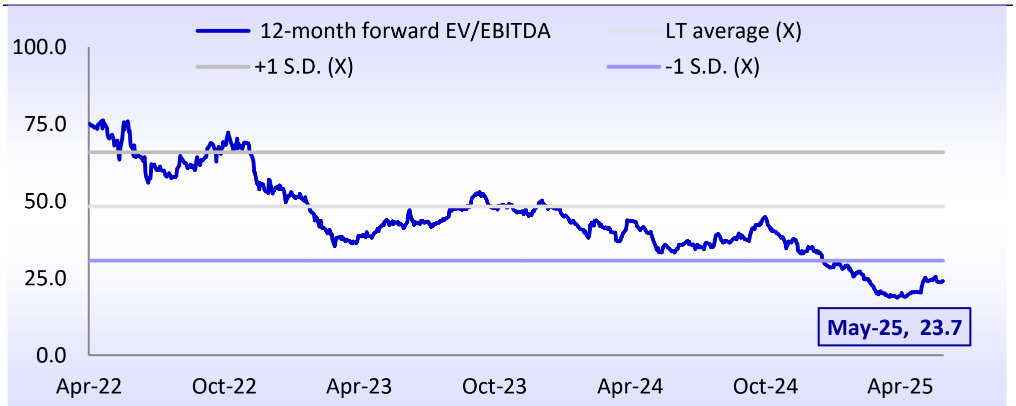
Retail comps	Mcap	P/E (X)			EV/EBITDA(X)			RoCE (%)			RoE (%)			CAGR (%) FY25-28
	(INR b)	2025	2026	2027	2025	2026	2027	2025	2026	2027	2025	2026	2027	EBITDA
Go Fashion	**46**	**46.2**	**42.7**	**34.0**	**15.1**	**13.2**	**11.4**	**20.5**	**22.0**	**22.9**	**13.8**	**15.2**	**15.9**	**19.0**
Trent	2,006	129.0	100.4	81.5	72.1	55.7	45.9	22.9	21.7	19.6	34.4	33.5	31.4	28.6
ABFRL	118	NA	NA	NA	21.9	20.6	17.3	-2.0	-1.1	0.5	NA	NA	NA	11.9
Shoppers Stop	57	833.0	NA	NA	12.6	11.8	11.3	5.9	5.6	5.0	NA	NA	NA	17.1
Vedant Fashions	193	46.0	42.0	37.8	28.5	25.6	23.0	19.9	19.5	19.3	23.0	21.9	21.9	6.3
V mart	68	304.1	49.1	34.1	18.6	14.4	11.5	8.7	13.1	14.6	14.6	17.8	18.2	26.7
Apparel Retailers		**271.7**	**58.6**	**46.9**	**28.2**	**23.5**	**20.1**	**12.7**	**13.5**	**13.6**	**21.4**	**22.1**	**21.8**	**18.3**
Metro Brands	329	86.9	73.4	60.5	45.0	38.5	32.2	14.1	16.5	16.9	23.4	24.4	26.1	16.4
Campus Activewear	89	71.7	51.6	39.0	36.5	28.0	21.9	15.4	17.3	18.6	18.0	19.0	20.6	19.2
Bata India	162	63.5	56.6	45.8	22.6	20.1	18.0	11.3	11.8	12.8	17.9	20.1	23.0	11.2
Relaxo Footwears	109	61.5	52.1	44.8	27.1	24.0	21.1	8.1	9.0	9.7	9.2	10.0	NA	11.3
Footwear retailers		**70.9**	**58.4**	**47.5**	**32.8**	**27.7**	**23.3**	**12.2**	**13.7**	**14.5**	**17.1**	**18.4**	**23.2**	**14.5**

Source: Bloomberg, MOFSL

GOCOLORS trades at 43x rolling one-year forward P/E



GOCOLORS trades at 24x rolling one-year forward EV/Pre-IND AS EBITDA

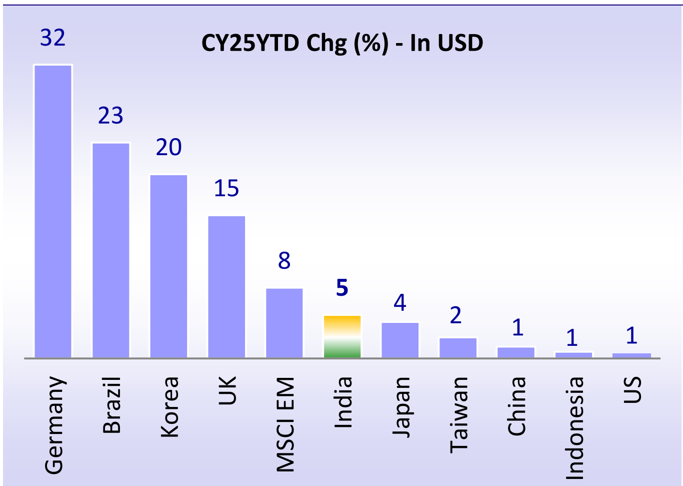


Source: Company, MOFSL

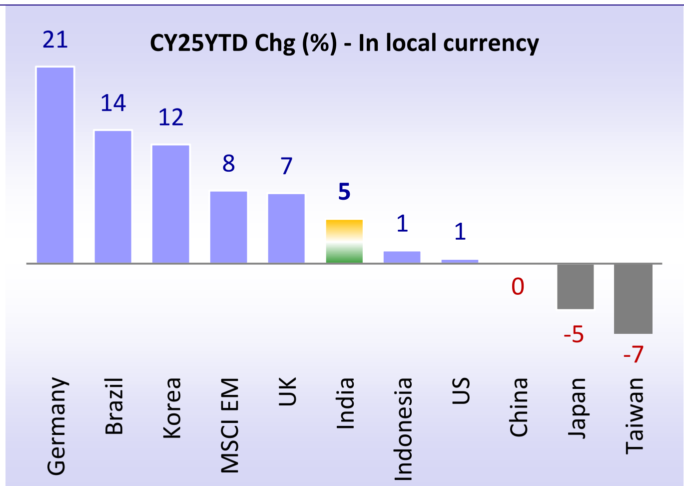
BULLS & BEARS (June 2025) India Valuations Handbook — Market continues its upward momentum; Midcaps/smallcaps outperform largecaps

- **Market rallies for the third consecutive month:** The Nifty rose for the third successive month in May'25 (1.7% MoM gain) to close at 24,751. Notably, the index continued to remain volatile and hovered around 1,181 points before closing 417 points higher. The Nifty has risen 4.7% in CY25YTD. The Nifty Smallcap 100 (+8.7%) and Nifty Midcap 100 (+6.1% MoM) outperformed the Nifty-50 during the month. Over the last 12 months, midcaps have gained 11%, outperforming largecaps (+10%) and smallcaps (+7%), respectively. During the last five years, midcaps (CAGR: 34%) have notably outperformed largecaps (CAGR: 20.9%) by 175%, while smallcaps (CAGR: 34.9%) have markedly outpaced largecaps by 189%.
- **DII inflows remain strong; FIIs record the third consecutive month of inflows:** FIIs were net buyers for the third consecutive month, investing USD1.7b in May'25. DIIs also showed healthy inflows, amounting to USD7.9b in May'25. FII outflows into Indian equities have reached USD10.5b in CY25YTD vs. outflows of USD0.8b in CY24. DII inflows into equities remain robust at USD33b in CY25YTD vs. USD62.9b in CY24.
- **All major sectors end higher in May'25:** Among the sectors, Capital Goods (+13%), Media (+13%), Real Estate (+7%), Metals (+7%), and PSU Banks (+7%) were the top gainers MoM, while Consumer (-2%), and Healthcare (-2%) were the only laggards. The breadth was favorable in May'25, with 34 Nifty stocks ending higher. Bharat Electronics (+22%), Adani Ports (+18%), Tata Steel (+15%), Hero Motocorp (+13%), and Tata Motors (+12%) were the top performers, while Sun Pharma (-8%), Grasim (-7%), Asian Paints (-7%), Kotak Mah. Bank (-6%), and NTPC (-6%) were the key laggards.
- **Major economies end higher in May'25:** Among the key global markets, Germany (+7%), the US (+6%), Indonesia (+6%), Korea (+6%), Taiwan (+5%), Japan (+5%), MSCI EM (+4%), the UK (+3%), China (+2%), India (+2%), and Brazil (+1%) ended higher MoM in local currency terms in May'25. Over the last 12 months in USD terms, the MSCI India Index (+5%) has underperformed the MSCI EM Index (+10%). Over the last 10 years, the MSCI India Index has notably outperformed the MSCI EM Index by a robust 94%. In P/E terms, the MSCI India Index is trading at a 78% premium to the MSCI EM Index, near its historical average premium of 79%. Over the last 12 months, global market cap has risen 10.3% (USD12t), whereas India's market cap has increased 12.1%.
- **Earnings review – 4QFY25: Beyond the benchmark – a surprise surge!:** The aggregate earnings of the MOFSL Universe companies grew 10% YoY (vs. our est. of 2% YoY) in 4QFY25. The 4QFY25 corporate earnings concluded on a strong note, showcasing widespread outperformance across aggregates. Metals, OMCs, PSU Banks, Automobiles, Healthcare, Technology, and Capital Goods fueled this healthy performance. Conversely, Oil & Gas (ex-OMCs) and Private Banks dragged down overall profitability. Nifty reported a single-digit profit growth for the fourth successive quarter since the pandemic (Jun'20). Five Nifty companies – Bharti Airtel, Hindalco, ICICI Bank, Tata Motors, and HDFC Bank – contributed 137% of the incremental YoY accretion in earnings.
- **Our view:** The earnings fared better than expectations for 4QFY25; however, forward earnings revisions continue to exhibit weakness, with downgrades surpassing upgrades. The Nifty-50 registered a modest 1% EPS growth in FY25 (following a 20%+ CAGR during FY20-24). The market has rebounded notably over the last two months, completely reversing its YTD decline. Currently, the Nifty is trading 4.7% higher in CY25YTD. With this rally, the Nifty trades at 21.8x FY26E earnings, near its LPA of 20.7x. While near-term challenges such as global macros, trade wars, and earnings will keep the market volatile and jittery, we believe that the medium-to-long-term growth narrative for India remains intact. Our model portfolio stance remains unchanged, with a distinct bias towards largecaps and domestic plays, given the current volatile backdrop. We are OW on BFSI, Consumer Discretionary, Industrials, Healthcare, IT, and Telecom, while we are UW on Oil & Gas, Cement, Automobiles, Real Estate, and Metals.
- **Top ideas: Largecaps –** Reliance Industries, Bharti Airtel, ICICI Bank, L&T, Kotak Mahindra Bank, Sun Pharma, M&M, Trent, and Tech Mahindra; **Midcaps and Smallcaps –** Indian Hotels, HDFC AMC, BSE, Suzlon Energy, Dixon Tech., SRF, JSW Infra, Coforge, Page Industries, Kaynes Tech, and LT Foods.

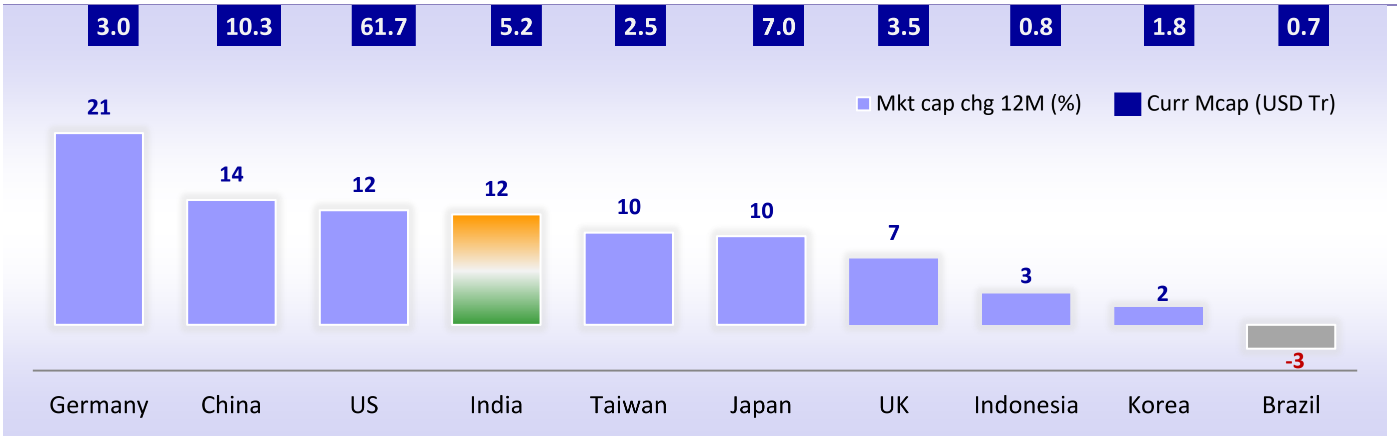
World equity indices in USD terms (%) in CY25YTD



World equity indices in local currency terms (%) in CY25YTD



Change in market cap over the last 12 months (%) – Global market cap has risen 10.3% (USD12t), whereas India's market cap has increased 12.1%



Vodafone Idea

Estimate changes	⟷
TP change	⟷
Rating change	⟷

Bloomberg	IDEA IN
Equity Shares (m)	108343
M.Cap.(INRb)/(USDb)	761.7 / 8.9
52-Week Range (INR)	19 / 6
1, 6, 12 Rel. Per (%)	-2/-17/-64
12M Avg Val (INR M)	7529

Financials & Valuations (INR b)

INR b	FY26E	FY27E	FY28E
Net Sales	451	491	536
EBITDA	182	206	232
Adj. PAT	-319	-312	-274
EBITDA Margin (%)	40.3	41.8	43.3
Adj. EPS (INR)	-23.2	-2.1	-12.1
BV/Sh. (INR)	-20.3	-30.0	-38.6
Ratios			
Net D:E	-2.9	-2.3	-2.0
RoE (%)	NM	NM	NM
RoCE (%)	-3.0	-1.4	1.5
Payout (%)	0.0	0.0	0.0
Valuations			
EV/EBITDA (x)	12.5	12.7	12.0
P/E (x)	-2.4	-2.4	-2.8
P/B (x)	-0.3	-0.2	-0.2
Div. Yield (%)	0.0	0.0	0.0

Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	38.8	38.8	48.9
DII	27.5	26.8	34.4
FII	10.1	9.9	2.0
Others	23.6	24.5	14.7

FII includes depository receipts

CMP: INR7 TP: INR6.5 (-8%) Sell

AGR relief and debt raise remain key for LT survival

- Vodafone Idea's (Vi) reported EBITDA declined 1% QoQ (vs.+2% QoQ for RJio/Bharti India wireless), which was above our estimates due to lower network opex (-2% QoQ, energy efficiencies) and SG&A costs (-1% QoQ).
- Operationally, subscriber losses moderated significantly (-1.6m QoQ vs. ~5m+ net losses each in 2Q/3Q). However, data subscriber additions (excl. M2M) remained weak, despite acceleration in 4G/5G rollouts.
- Wireless revenue declined 1% QoQ (vs. 1-2% QoQ uptick for peers) as residual benefits from the tariff hike were partly offset by subscriber declines and two fewer days QoQ in 4Q.
- Vi's capex increased further to INR42b (highest since the merger), with FY25 capex rising to INR96b. However, management indicated that FY26 capex beyond the current commitment of INR50-60b remains dependent on the successful closure of debt fund raise (which has been elusive so far).
- Despite equity infusion and acceleration in capex, Vi continued to lose market share to peers. On our estimates, it lost ~130bp in subscriber market share (SMS) and ~155bp in revenue market share (RMS) in FY25, among the three private telcos.
- Vi's continued subscriber losses and weaker data net adds remain key concerns. Despite potential acceleration in network investments, we believe regaining subscribers will remain a tall ask for Vi, given that peers—with superior free cash flow generation and deeper pockets—can keep customer acquisition costs higher.
- Further, with no relief so far on AGR dues (repayments commence Mar'26) and no breakthrough on the debt raise, we believe Vi is likely to face an annual cash shortfall of ~INR200b and may be unable to meet its capex guidance of INR500-550b over FY25-27E.
- Our revenue and EBITDA estimates for FY26-27E remain broadly unchanged. We **reiterate our SELL rating on Vi with an unchanged TP of INR6.5**, based on DCF implied ~13x Jun'27E EV/EBITDA.

4Q above estimates on lower opex; subs decline moderates

- Vi's wireless ARPU rose ~1% QoQ to INR164 (+12% YoY vs. flat to +1% QoQ for peers) as residual tariff hike benefits were offset by two fewer days.
- Subscriber base at 198.2m declined by ~1.6m QoQ (significant moderation vs. ~5m+ declines in 2Q/3Q), better than our est. of a 3.5m decline.
- Monthly churn declined 40bp QoQ to 4.1% and remains a key monitorable.
- Wireless revenue at INR98b (+4.5% YoY, 1% above) declined 1% sequentially (vs. 1-2% QoQ growth for peers) as residual benefits of the tariff hike were partly offset by a continued decline in the subscriber base.
- Reported EBITDA at INR46.6b (-1% QoQ, +8% YoY, vs ~2% QoQ growth for peers) was ~4% above our estimate, driven by lower SG&A and network expenses.
- Pre-Ind-AS 116 EBITDA at INR23.2b declined ~5% QoQ (+6% YoY) and was ~5% above our estimate, as margin contracted ~90bp QoQ to 21.1% (+50bp YoY and ~75bp higher than our estimate).

- Vi's reported losses widened to INR72b (vs. INR66b QoQ, our estimate of INR73.7b). We note that 3Q benefited from lower interest costs due to settlement with a vendor.
- Vi's reported net debt (excluding leases but including interest accrued and not due) **declined INR302b QoQ to INR1.87t,** following the accounting of ~INR369.5b equity conversion of GoI dues.
- Vi still owes ~INR1.95t to GoI for deferred spectrum and AGR dues. External/banking debt was stable QoQ at ~INR23b (lower vs. INR42b YoY).
- Vi's capex increased **further to INR42b**, the highest since the merger. FY25 capex stood at **~INR96b.**
- Vi has sought an **enabling resolution to raise up to INR200b** and has formed a committee to evaluate potential modes of fund raising.

Key highlights from the management commentary

- **Subscriber trends:** Management indicated that 4G net adds are improving with the ongoing network rollout. Further, it indicated that the 5G user base on its network continues to improve steadily.
- **Network rollout:** Vi rolled out ~7.6k towers (~8.5k MBB towers) and ~34k net MBB sites in 4Q, boosting 4G population coverage to 83%. 4G coverage is expected to increase to 84-86% in the near term, based on the current visibility of ~INR50-60b capex plans. The company also rolled out 5G in Mumbai, Delhi, Chandigarh, and Patna, with plans to expand 5G to key cities across 17 priority circles by Aug'25.
- **Debt raise:** Vi remains engaged with lenders for a debt raise, with discussions progressing following the ~INR369.5b equity conversion of GoI dues and recent upgrades to credit ratings. Management indicated that debt raise remains crucial for Vi to reach its target of ~215-220k unique tower sites (vs. ~195k currently) and to increase 4G population coverage to ~90% (vs. 83% currently).
- **Network opex:** Management highlighted several cost-saving initiatives, such as energy cost optimization, rental negotiations, and insourcing fiber maintenance, that have helped reduce expenses despite accelerated network rollouts.
- **Tariff construct:** Management continues to make a case for tariff construct to change from unlimited daily data allowance to usage-based plans. However, the company is reluctant to lead this change and prefers to wait for competitors to take the initiative. We note, even Bharti has long supported a move toward usage-based tariff plans.

Valuation and view

- Vi continues to lose market share to peers due to lower ARPU translation, given its inferior subscriber mix and elevated subscriber churn.
- It plans to embark on a significant capex cycle (INR500-550b over the next 2-3 years) to bridge the network gap with peers.
- Despite the likely capex, we believe regaining subscribers would be a tall ask for Vi, given its peers' superior free cash flow generation and deeper pockets.
- Further, we believe the company's network investments remain contingent on debt raise, which, in turn, is dependent on continued support/AGR relief from GoI (INR200b+ annual cash shortfall over FY26-31E).
- Stabilization of the subscriber base, along with further relief from the GoI, remains imperative for Vi's long-term survival.
- Our revenue and EBITDA estimates for FY26-27E remain broadly unchanged. We **reiterate our SELL rating on Vi with an unchanged TP of INR6.5**, based on DCF implied ~13x Jun'27E EV/EBITDA.

Consolidated - Quarterly Earnings Model (INR b)

Y/E March	FY24				FY25				FY24	FY25	FY25E	Est Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	(%)
Revenue	**107**	**107**	**107**	**106**	**105**	**109**	**111**	**110**	**427**	**436**	**109**	**1.0**
YoY Change (%)	2.4	1.0	0.5	0.7	-1.4	2.0	4.2	3.8	1.1	2.2	2.8	
Total Expenditure	65	64	63	63	63	64	64	64	255	254	64	-0.8
EBITDA	**42**	**43**	**44**	**43**	**42**	**45**	**47**	**47**	**171**	**181**	**45**	**3.7**
YoY Change (%)	-4.0	4.5	4.1	3.0	1.1	6.2	8.3	7.5	1.8	5.8	-73.5	
Depreciation	56	57	56	58	54	54	56	56	226	220	56	-0.5
Net Finance Costs	64	65	65	62	53	63	57	63	257	235	63	-0.2
PBT before EO expense	**-78**	**-79**	**-77**	**-77**	**-64**	**-72**	**-66**	**-72**	**-312**	**-274**	**-74**	**-2.7**
Extra-Ord expense	0	0	-8	0	0	0	0	0	-8	0	0	
PBT	**-78**	**-79**	**-70**	**-77**	**-64**	**-72**	**-66**	**-72**	**-304**	**-274**	**-74**	**-2.7**
Tax	0.0	8.2	0.0	0.1	0.1	0.1	0.0	0.0	8.3	0.2	0.0	
Rate (%)	0.0	-10.3	0.0	-0.1	-0.1	-0.1	0.0	0.0	-2.7	-0.1	0.0	
Reported PAT	**-78**	**-87**	**-70**	**-77**	**-64**	**-72**	**-66**	**-72**	**-312**	**-274**	**-74**	**-2.7**
Adj PAT	**-78**	**-87**	**-77**	**-77**	**-64**	**-72**	**-66**	**-72**	**-320**	**-274**	**-74**	**-2.7**
YoY Change (%)	7.4	15.0	-3.1	20.0	-18.0	-17.9	-14.6	-6.6	9.3	-14.4	-4.8	

E: MOFSL Estimates

Bata India

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	BATA IN
Equity Shares (m)	129
M.Cap.(INRb)/(USDb)	162 / 1.9
52-Week Range (INR)	1633 / 1136
1, 6, 12 Rel. Per (%)	4/-14/-17
12M Avg Val (INR M)	460

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	34.9	37.7	40.8
EBITDA	7.4	8.4	9.4
Adj. PAT	2.5	3.2	3.9
EBITDA Margin (%)	21.1	22.3	23.0
Adj. EPS (INR)	19.4	24.8	30.1
EPS Gr. (%)	-14.7	27.6	21.2
BV/Sh. (INR)	122.5	134.9	150.0
Ratios			
Net D:E	0.4	0.3	0.2
RoE (%)	16.1	19.3	21.1
RoCE (%)	11.3	12.9	13.9
RoIC (%)	12.4	15.3	17.3
Valuations			
P/E (x)	64.9	50.8	41.9
EV/EBITDA (x)	23.1	20.1	17.9
EV/Sales (X)	4.9	4.5	4.1
Div. Yield (%)	1.0	1.0	1.2

Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	50.2	50.2	50.2
DII	29.5	29.2	28.3
FII	6.9	7.5	8.2
Others	13.5	13.2	13.3

FII includes depository receipts

CMP: INR1,260 TP: INR1,200 (-5%) Neutral

Steady volume growth recovery is vital

- Bata India (BATA) delivered yet another weak quarter with 1% YoY revenue decline (5% miss) and ~230bp YoY gross margin contraction. The weak performance was attributed to the company's deliberate shift toward value-driven offerings to boost volume amid subdued demand.
- Adj. EBITDA margin at 20.7% contracted by ~180bp, impacted by weak GMs and a one-off impact (~100bp) of employee expenses. EBITDA at INR1.6b fell 11% YoY. Reported EBITDA was boosted by a change in licensing terms.
- Despite muted demand, BATA is seeing early traction in value segment (sub INR1k). Strategic inventory cleanup, curated product refreshes, and franchise-led expansion should help the company improve efficiency and drive margin recovery, though near-term pressures persist.
- Our FY26-27E estimates are broadly unchanged. We expect FY25-27 CAGR of 8%/12%/22% in revenue/EBITDA/adj. PAT CAGR (albeit on a low base in FY25, -23% vs. FY23 levels). We **maintain a Neutral rating with a TP of INR1,200**.

Weak results; 5% miss on reported EBITDA led by lower gross margin

- Revenue at INR7.9b (5% miss) **declined ~1% YoY** (vs. 2% YoY growth in 3Q) as ~5% YoY store addition was likely offset by a **decline in same-store sales.**
  - BATA added **9 net stores** in 4Q, taking the total store count to 1,962 (+5% YoY).
  - It added gross 19 franchised stores and likely closed 10 COCO stores.
- Gross margins **contracted 229bp YoY** to 57.9% (though up 165bp QoQ), **~245bp below** our estimate.
- Gross profit declined 5% YoY to INR4.6b (9% miss).
- **Adj. EBITDA** margin at 20.7% **contracted ~180bp,** impacted by weak GMs and a one-off impact (~100bp) of employee expenses. EBITDA at INR1.6b fell 11% YoY.
- Reported EBITDA **declined 2% YoY** to INR1.76b (**5% miss**) due to accounting change in royalty (now moved to depreciation vs. other expenses earlier).
- Margins **contracted ~22bp YoY** to 22.3% (in line).
- Adj PAT declined 28% YoY to INR459m (26% miss) due to weaker EBITDA, higher D&A (+15% YoY) and high finance costs (+12% YoY).

FY25 review: Subdued performance continues

- Revenue at INR35b was flat YoY, with <1% CAGR over FY23-25.
- Gross profit remained flat (-1% YoY) at INR19.6b as gross margin declined 80bp YoY to 56.3%.
- EBITDA declined ~6% YoY to INR7.3b and EBITDA margin contracted ~150bp YoY to 21.1%.
- Adjusted PAT at INR2.5b declined 15% YoY (23% below FY23 levels).
- Net working capital days improved sharply to 116 (from 137 in 1HFY25 and 161 FY24), led by healthy reduction in inventory days to 195 (vs 227 YoY).
- FY25 FCF (post leases) improved to INR2.9b (from outflow of INR226m YoY), led by health OCF of INR3.6b and lower capex due to franchisee-led expansion.

Key takeaways from the management interaction

- **Muted Demand:** Despite a weak demand environment weighing on overall revenue, BATA is witnessing selective volume-led growth in both value and premium segments—particularly in sub INR1k products and the Floatz portfolio. Internal initiatives such as zero-based merchandising are improving store-level efficiency and driving better conversions, partly offsetting broader market softness.
- **Margin pressure amid value focus**: BATA's sharper value-for-money portfolio has supported consumer retention but compressed gross margins by 230bp, due to an adverse channel mix and lower ASPs. An additional 100bp impact on operating margins stemmed from one-off employee costs. However, cost resets and product portfolio rationalization are underway to rebuild operating leverage.
- **Brand and channel mix:** BATA continues to evolve its multi-channel approach, with ~80% of new store additions from the franchise network and renewed focus on modern trade. Brand-wise, Floatz has emerged as a premium growth driver (40%+ growth, nearing INR2b), while Power and Hush Puppies (~20% contribution each) support the dual strategy of value and premiumization.
- **Inventory-led efficiency gains:** The company reduced inventory by 16% YoY, with aged stock now at a low level of 2-3% of total. ZBM implementation across 146 stores led to 40% SKU reduction and 25% inventory decline. This enhanced agility enables more curated, innovation-led product replenishment, supporting margin recovery through lower markdown intensity.

Valuation and view

- Over the last couple of years, following the change in management, a renewed focus on growth has been evident, characterized by a brand refresh, the introduction of new product lines (such as Sneakers), and enhancements in the backend supply chain infrastructure.
- Despite muted demand, BATA is seeing early traction in value segment (sub INR1k). Strategic inventory cleanup, curated product refreshes, and franchise-led expansion are positioning the company for improved efficiency and gradual margin recovery, though near-term pressures persist.
- Our FY26-27 estimates are broadly unchanged. We expect FY25-27 CAGR of 8%/12%/22% in revenue/EBITDA/Adj. PAT CAGR (albeit on a low base in FY25, -23% vs. FY23 levels). We **maintain a Neutral rating with a TP of INR1,200**.
- Sustained volume recovery remains the key trigger for the stock.

Consolidated - Quarterly earnings (INR m)

Y/E March	FY24				FY25				FY24	FY25	FY25E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Var (%)
Revenue	**9,581**	**8,191**	**9,035**	**7,979**	**9,446**	**8,371**	**9,188**	**7,882**	**34,786**	**34,888**	**8,304**	**-5.1**
YoY Change (%)	1.6	-1.3	0.4	2.5	-1.4	2.2	1.7	-1.2	0.8	0.3	4.1	
Gross Profit	5,246	4,755	5,065	4,798	5,182	4,740	5,163	4,559	19,864	19,644	5,007	-8.9
Gross margin%	54.7	58.1	56.1	60.1	54.9	56.6	56.2	57.8	57.1	56.3	60.3	-245
Total Expenditure	7,186	6,375	7,210	6,156	7,597	6,625	7,193	6,099	26,927	27,514	6,427	-5.1
EBITDA	**2,395**	**1,817**	**1,824**	**1,823**	**1,849**	**1,746**	**1,995**	**1,784**	**7,859**	**7,374**	**1,877**	**-5.0**
EBITDA margin	25.0	22.2	20.2	22.8	19.6	20.9	21.7	22.6	22.6	21.1	22.6	2
Change YoY (%)	-2.1	12.9	-11.5	0.2	-22.8	-3.9	9.4	-2.2	-1.0	-6.2	3.0	
Depreciation	811	817	860	903	872	902	902	1,037	3,391	3,713	946	9.6
Interest	281	284	295	310	308	318	311	348	1,170	1,285	318	9.4
Other Income	133	155	111	219	162	172	99	223	617	656	215	3.6
PBT before EO expense	**1,436**	**870**	**780**	**829**	**832**	**698**	**881**	**622**	**3,915**	**3,032**	**829**	**-25.0**
Extra-Ord expense	0	409	0	0	-1,340	0	108	0	409	-1,232	0	
PBT	**1,436**	**461**	**780**	**829**	**2,171**	**698**	**773**	**622**	**3,506**	**4,264**	**829**	**-25.0**
Tax	367	121	201	193	431	178	186	163	881	957	209	-22.1
Rate (%)	25.5	26.3	25.7	23.2	19.8	25.5	24.1	26.2	25.1	22.4	25.2	
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0			0	
Reported PAT	**1,069**	**340**	**580**	**636**	**1,741**	**520**	**587**	**459**	**2,625**	**3,307**	**620**	**-26.0**
Adj PAT	**1,069**	**641**	**580**	**636**	**849**	**520**	**669**	**459**	**2,927**	**2,497**	**620**	**-26.0**
YoY Change (%)	-10	17	-30	-3	-21	-19	15	-28	-9	-15	-3	
Margins (%)	11%	8%	6%	8%	9%	6%	7%	6%	8%	7%	7%	

E: MOFSL Estimates

Automobiles

Demand remains subdued in most segments except tractors

Demand remained weak in May'25 across key segments, except tractors. MM continued to outperform its peers in PVs and posted 21% YoY growth in UVs. MSIL saw steady 3% YoY growth, driven by 80% YoY growth in exports. However, Hyundai (-8%) and TTMT PV (-11%) underperformed peers. In 2Ws, TVSL's total vehicle sales grew 16.6% YoY to 431k units (down 3% MoM). RE volumes grew 26% YoY to 89k units – slightly ahead of our estimate of 85k units. BJAUT posted 8% YoY growth in volumes, led primarily by 22% YoY growth in exports. HMCL continued to underperform peers with just 2% YoY growth in volumes. In CVs, VECV (+8%) continued to outperform its peers AL (+6%) and TTMT (-5%). Overall, CV retails are unlikely to have improved in May, while wholesales are likely to have seen positive growth due to inventory build-up in trucks ahead of the mandatory driver cabin regulations set to be implemented from Jun'25. In Tractors, MM (+10%) continued to outperform Escorts (1%). Tractor momentum is likely to remain healthy given favorable demand indicators. In May'25, RE, AL and VECV exceeded our estimates. On the other hand, TTMT PV and TVS posted sales below our estimates. Our top OEM picks remain MSIL and MM.

- **PVs (in line):** PV wholesales grew 1.5% YoY, in line with expectations. Among listed peers, MM continued to outperform peers. MM's UV volumes rose 21% YoY (in line with estimates). Led by strong growth in UVs, its auto segment sales grew 17% YoY. MSIL sales grew 3% YoY (flat MoM) at 180k units (in line). Growth was largely driven by 80% YoY growth in exports over a low base, even as domestic sales declined 5% YoY. On the other hand, both Hyundai and TTMT continued to underperform. While Hyundai volumes were down 8% YoY (domestic sales down 11%), TTMT PV sales were down 11% YoY.
- **2Ws (mixed):** BJAUT sales grew 8% YoY to 384k units (in line). While 2W sales were up 9% YoY, 3W sales grew 5% YoY. Growth was largely driven by 22% YoY growth in exports, even as domestic sales remained flat YoY. TVSL's total vehicle sales grew 16.6% YoY to 431k units, below our estimate of 445k units. While 2W sales grew 16% YoY, 3W sales were up 46% YoY. Overall, exports grew 22% YoY to 118k units. EV sales grew 50% YoY to 28k units. HMCL sales grew 1% YoY to 508k units, in line with our estimate. Management has clarified that its retails remained healthy at ~500k units even in May'25. For the first two months, HMCL sales are down 21% YoY due to the supply chain issues in Apr'25. RE volumes grew 26% YoY to 89k units – slightly ahead of our estimate of 85k units. Exports posted robust growth of 82% YoY to 13,609 units and were the key growth driver in May'25.
- **CVs (mixed):** For TTMT, overall CV sales declined 5% YoY to 28,147 units (in line). While MHCV sales grew slightly under 1% YoY, LCV sales declined 10% YoY to 14.5k units. AL posted 5.5% YoY growth in CV volumes to 15,484 units (ahead of our estimate of 14k units). While MHCV sales were up 11% YoY, LCV sales declined 4% YoY. Within MHCVs, truck sales grew 12% YoY and bus sales grew 9% YoY. VECV continued to outperform its peers and posted 8% YoY growth to 7436 units (ahead of our estimate of 6.2k units). While retail sales are unlikely to have picked up in May'25, wholesales are likely to have seen positive growth due to inventory build-up in trucks ahead of the mandatory driver cabin regulations set to be implemented from Jun'25.

- **Tractors (in line):** Dispatches for tractors were largely in line with our estimates. For MM, tractor volume growth stood at 10% YoY (flat MoM) and was in line with our estimate. However, Escorts continued to underperform and posted 1% YoY growth in volume to 10.3k units (in line). Overall, tractor growth momentum is likely to continue in FY26 given expectations of a normal monsoon, sufficient reservoir levels and improved liquidity.
- **Valuation and view:** While overall demand remained weak in May'25, select players like MM, TVSL/RE and VECV continued to outperform their respective segments. MSIL is our top pick among auto OEMs as its upcoming new launches and the current export momentum should drive healthy earnings growth. We like MM given the uptrend in tractors and healthy growth in UVs. Among ancillaries, we prefer ENDU and HAPPYFORG.

Snapshot of volumes for May-25

Company Sales	May-25	May-24	YoY (%) chg	Apr-25	MoM (%) chg	YTDFY26	YoY (%) chg	FY26E Gr. (%)	Residual Monthly run rate
Maruti Suzuki	**1,80,077**	**1,74,551**	**3.2**	**1,79,791**	**0.2**	**3,59,868**	**5.0**	**7.6**	**2,04,469**
Domestic	1,48,858	1,57,184	-5.3	1,51,880	-2.0	3,00,738	-0.8	5.0	1,69,678
Exports	31,219	17,367	79.8	27,911	11.9	59,130	49.6	22.4	34,791
Hyundai Motor	**58,701**	**63,551**	**-7.6**	**60,774**	**-3.4**	**1,19,475**	**-6.1**	**-2.0**	**64,258**
Domestic	43,861	49,151	-10.8	44,374	-1.2	88,235	-11.2	-2.6	51,043
Exports	14,840	14,400	3.1	16,400	-9.5	31,240	12.0	0.1	13,215
Mahindra & Mahindra	**1,24,753**	**1,08,791**	**14.7**	**1,24,224**	**0.4**	**2,48,977**	**15.1**	**9.6**	**1,24,788**
UV (incl. pick-ups)	76,381	64,632	18.2	77,504	-1.4	1,53,885	19.7	10.0	77,259
LCV & M&HCV	1,094	1,083	1.0	1,196	-8.5	2,290	5.3	6.8	1,163
Three-Wheelers	6,635	5,967	11.2	5,470	21.3	12,105	5.5	14.0	8,574
Tractors	40,643	37,109	9.5	40,054	1.5	80,697	8.8	8.0	37,792
Tata Motors	**70,187**	**76,766**	**-8.6**	**72,753**	**-3.5**	**1,42,940**	**-7.4**	**3.9**	**82,648**
CV's	28,147	29,691	-5.2	27,221	3.4	55,368	-6.5	5.0	34,038
PVs	42,040	47,075	-10.7	45,532	-7.7	87,572	-7.9	3.1	48,610
Hero MotoCorp	**5,07,701**	**4,98,123**	**1.9**	**3,05,406**	**66.2**	**8,13,107**	**-21.2**	**5.2**	**5,39,394**
Bajaj Auto	**3,84,621**	**3,55,323**	**8.2**	**3,65,810**	**5.1**	**7,50,431**	**0.9**	**9.6**	**4,34,559**
Motorcycles	3,32,370	3,05,482	8.8	3,17,937	4.5	6,50,307	0.5	9.9	3,72,558
Two-Wheelers	3,32,370	3,05,482	8.8	3,17,937	4.5	6,50,307	0.5	9.9	3,72,558
Three-Wheelers	52,251	49,841	4.8	47,873	9.1	1,00,124	4.0	7.7	62,001
Domestic	2,25,733	2,25,087	0.3	2,20,615	2.3	4,46,348	-5.9	7.9	2,56,280
Exports	1,58,888	1,30,236	22.0	1,45,195	9.4	3,04,083	12.9	12.0	1,78,279
TVS Motor	**4,31,275**	**3,69,914**	**16.6**	**4,43,896**	**-2.8**	**8,75,171**	**16.1**	**9.3**	**4,31,019**
Motorcycles	2,11,505	1,73,627	21.8	2,20,527	-4.1	4,32,032	19.4	8.8	1,95,594
Scooters	1,66,749	1,45,305	14.8	1,69,741	-1.8	3,36,490	16.3	11.5	1,78,578
Mopeds	37,912	40,658	-6.8	40,062	-5.4	77,974	-6.1	2.1	44,314
Three-Wheelers	15,109	10,324	46.3	13,566	11.4	28,675	48.2	14.4	12,532
Domestic	3,12,838	2,72,948	14.6	3,27,016	-4.3	6,39,854	11.1	8.4	3,20,616
Exports	1,18,437	96,966	22.1	1,16,880	1.3	2,35,317	32.6	12.0	1,10,403
Royal Enfield	**89,429**	**71,010**	**25.9**	**81,870**	**9.2**	**1,75,988**	**15.1**	**10.6**	**92,802**
Ashok Leyland	**15,484**	**14,682**	**5.5**	**13,421**	**15.4**	**28,905**	**-0.2**	**6.1**	**17,808**
M&HCV	10,282	9,243	11.2	7,960	29.2	18,242	-0.7	6.5	11,594
LCV	5,202	5,439	-4.4	5,461	-4.7	10,663	1	5.4	6,214
VECV	**7,436**	**6,901**	**7.8**	**5,377**	**38.3**	**14,282**	**16.3**	**6.8**	**8,201**
Domestic	**6,935**	**6,486**	**6.9**	**5,021**	**38.1**	**13,321**	**15.8**	**6.5**	7,715
Exports	501	415	20.7	356	40.7	961	24.6	12.3	485
Escorts Kubota	**10,354**	**10,286**	**0.7**	**8,729**	**18.6**	**19,083**	**-0.2**	**5.0**	**10,225**

Apollo Hospitals: Apollo Health is profitable and the margin is looking strong; Suneeta Reddy, MD

- Apollo HealthCo turned profitable; offline pharmacy sales grew 17%, online by 22%, and Apollo 24/7 nears break-even.
- Diagnostics revenue rose 9%; Apollo plans ₹3,000 crore capex and 1,500 new beds in FY26.
- Can continue with 7% increase in ARPOBS
- International patient revenue dipped due to Bangladesh issues, but diversification into new markets is underway.

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Leela Hotels: See opportunity with Leela residency opening in Mumbai early next year; Ankur Gupta, Managing Partner

- Post-listing, lower finance costs are expected to boost profitability
- Street estimates targeting over ₹250 crore net profit by FY27—mgmt. believes this is achievable
- Eight new hotels are already in the pipeline including Leela Palace in Mumbai
- Launching Leela Residences (serviced apartments) in Mumbai by early next year

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TVS Motor: Restriction on rare earth magnets could bring production to a halt; Sudarshan Venu, MD

- Commited to building all segments in EV; co has started retail of TVSX premium electric scooter in India
- Plans to launch a third electric scooter in FY26
- Supply chain issues because of China banning rare earth magnets
- Looking for a way to de-risk; could be cost increases for the customer

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Greenlam Industries: Expect margin improvement in the laminate business this year; Saurabh Mittal, MD & CEO

- We expect 18-20% topline growth in FY26
- Expect growth across business verticals in FY26
- We doubled our sales in the plywood biz FY25, EBITDA losses will decrease in FY26
- Current debt levels are around 950-2000 crores, expected to remain stable

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JNK India: Can see approximately ₹1,200 Cr worth of order wins in FY26; Dipak Bharuka, Whole-time Director & CEO

- Target 40-50% Rev growth in FY26, ₹70 cr revenue in FY25 has slipped to FY26
- Target 100-200bps margin improvement
- Have an order backlog of ₹1,082 cr, FY25 order inflow was at ₹933 cr
- Hopeful for FY26 being a very good year for co.

Read More

NOTES

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

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