Midas
Equities and Research

Midas Techno Funda Basket

Multicap Opportunity Basket

29 Sep 2026

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Multicap Opportunity Basket (Holding Period : 4 - 6 Months)

Scrip	Prev Close	Buying Range	No of Shares
Container Corporation of India Limited	450.00	435 - 455	225
Fineotex Chemical Limited	57.40	55 - 59	1754
Graphite India Limited	799.00	770 - 800	127
ICICI Bank Limited	1302.00	1260 - 1310	78
Inventurus Knowledge Solutions Limited	1768.40	1770 - 1820	56
Quality Power Electrical Equipments Limited	1592.70	1550 - 1600	63
Sharda Motor Industries Limited	945.10	930 - 970	105
Sona BLW Precision Forgings Limited	807.90	790 - 820	124
Varroc Engineering Limited	848.35	820 - 850	120

**Prev Close is Closing Price of 28 Sept, 2026*

We have curated a basket of fundamentally strong that also exhibit favorable technical price action. We recommend investing in the selected stocks with an equal allocation across the portfolio. **We expect the basket to generate a potential return of approximately 20% over the next 4–6 months.** To manage downside risk and protect capital, we recommend **maintaining a stop-loss of 10% based on the overall performance of the basket.**

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Container Corporation of India Limited

Logistics Solution Provider	Recommendation Buy	Previous Day's Closing INR 450.00	Buying Range INR 435 - 455

Technical View (Daily Chart)

Source: Tradingview.com

Technical View

- CONCOR has been in a corrective phase over the past few weeks and is now approaching a key demand zone around 420–440.
- On the daily chart, the stock is completing a Bullish Shark harmonic pattern, which typically indicates a potential trend reversal.
- The Potential Reversal Zone (PRZ) of the mentioned pattern lies at 441–447 zone.
- Concurrently, the daily RSI is hovering in oversold territory, reinforcing the likelihood of a near-term relief bounce.
- At current levels, the stock appears primed for a turnaround, offering an attractive risk-reward entry for medium-term upside.

Fundamental Overview

- Container Corporation of India Ltd. (NSE: CONCOR) is a government-owned (Navratna) company under the Ministry of Railways and India's biggest player in moving shipping containers by rail. It carries goods for both export-import (EXIM) trade and within India (domestic), and runs a nationwide network of 68 terminals plus a large fleet of containers and rail wagons. It is the market leader with ~54% share of container rail traffic, though this has fallen from ~74% in FY20 as private rivals moved in. In FY26 it earned revenue of Rs. 9,079 Cr (+2%), EBITDA of Rs. 1,951 Cr (21.5% margin) and profit of ~Rs. 1,246 Cr. The company is almost debt-free, pays regular dividends, and plans to grow terminals from 68 to 100, rakes from 424 to 500 and containers from ~57,700 to 70,000 by FY28.
- Why we like it:
- **Freight is slowly shifting from road to rail.** Rail carries only ~26–27% of India's goods today; the government wants this near 45% by 2030. As a rail specialist, CONCOR gains from both a bigger freight market and rail taking a larger slice.
- **The new freight corridors (DFC) help.** These dedicated, high-speed, freight-only rail lines allow faster, double-stacked trains at lower cost. The western line's link to Mumbai's JNPT port is key — CONCOR expects the share of JNPT cargo moving by rail to rise from ~15% to 30–35% over three years.
- **A new home-grown market in containers.** Only ~5–6% of Indian Railways' domestic goods move in containers today. New government reforms ("Reform Express") let more goods — cement, fly ash, fertiliser, food grains — travel this way. Early cement deals with UltraTech and Adani are proof of concept.
- **Strong, safe balance sheet.** Debt-free, healthy cash flow and steady dividends mean it can fund its expansion on its own.
- Risk: CONCOR has lost market share for years and its prices/margins have stayed flat for over a decade due to tough competition (Adani, JSW, DP World). The freight-corridor benefit may be smaller than hoped — only about a third of JNPT's cargo suits the new route. Higher railway charges and land fees also squeeze profits, and a slower economy would hurt volumes.
- At CMP of ~Rs. 450, the stock trades at ~28x trailing earnings.

Fineotex Chemical Limited

Specialty Chemicals	Recommendation **Buy**	Previous Day's Closing **INR 57.40**	Buying Range **INR 55 - 59**

Technical View (Monthly Chart)

Source: Falcon

Technical View

- Finotex Chemical has delivered a multi-year rounding-bottom breakout above the 45-46 resistance zone, ending a prolonged consolidation and establishing a fresh long-term bullish structure. The breakout is particularly significant on the monthly chart, with strong volume expansion accompanying the move and the stock sustaining well above its 20-month and 50-month EMAs.
- The breakout follows a long period of base formation, making the current move structurally different from a short-term momentum breakout. The stock is currently extending above the breakout zone, with 62-63 emerging as the immediate hurdle. Sustaining above 45-46 keeps the breakout structure intact, with 65-68 as the next measured zone.
- The RSI is trending higher and has confirmed a trendline breakout on the weekly timeframe, indicating improving momentum and reinforcing the positive bias in the stock.

Fundamental Overview

- **Fineotex Chemical Ltd. (NSE: FCL)** is a Mumbai-based maker of specialty performance chemicals. The company sells 1,600+ SKUs across 470+ product categories in ~70 countries. Its portfolio spans textile processing chemicals, FMCG cleaning & hygiene and water treatment. Since the Dec-2025 acquisition of a 53.33% stake in US-based CrudeChem Technologies (CCT), it also makes oilfield specialty chemicals. Overseas business currently makes up ~77% of revenue.
- **Why we like it:**
- **CCT acquisition transforms scale.** Group capacity is now ~2,68,000 MTPA (US: 1,48,000 MTPA after doubling), serving a ~USD11.5 bn North American oilfield chemicals market where management sees over USD200 Mn revenue achievable by 2028.
- **Margins recovering post-integration.** EBITDA margin improved from 13.9% in Q4 FY26 to 15.7% in Q1 FY27 as CCT (acquired at ~8–10% vs 22–23% for the core) is optimised. FCL's core business segments of textile and hygiene should benefit from India's UK/EU/US trade deals.
- **Debt-free balance sheet.** FCL has almost no debt (~Rs. 8 Cr) and holds ~Rs. 364 Cr in cash and investments, giving it a net cash position of ~Rs. 355 Cr. So it can fund working capital, capacity expansion and further acquisitions (especially in water-treatment chemicals).
- **Risk:** Margin dilution from lower-margin CCT, oilfield demand tied to crude and gas cycles, and 12–18 month customer qualification with no long-term contracts. Also stretched working capital (negative FY26 operating cash flow), a soft standalone core and 46.67% minority leakage at CCT.
- At CMP of 57, stock trades at a P/E multiple of 54x TTM EPS.

Midas Equities and Research

Graphite India Limited

Electrodes & Refractories	Recommendation	Previous Day's Closing	Buying Range
	Buy	**INR 799**	**INR 770 - 800**

Technical View (Daily Chart)

Source: Falcon

Technical View

- The stock has witnessed an ascending triangle breakout on the monthly chart, indicating a potential shift towards a stronger long-term uptrend.
- Price is sustaining above the 20, 50, 100 and 200 DEMA, signaling broad-based positive momentum across timeframes.
- RSI is also showing positive momentum on weekly and monthly time frame.
- On the weekly chart, the stock continues to move within a rising trend channel, keeping the medium-term structure firmly positive.

Fundamental Overview

- Graphite India Ltd. (NSE: GRAPHITE) is India's second-largest maker of graphite electrodes — the big carbon rods used to melt scrap and make steel in electric arc furnaces (EAF), the greener way to make steel. Founded in 1974 and led by K.K. Bangur, it has ~98,000 tonnes/year capacity and sells mostly in India while competing globally. The business is cyclical, and FY26 was weak (sales Rs. 2,852 Cr, thin 7.1% EBITDA margin, PAT Rs. 171 Cr). But Q1 FY27 turned sharply — sales up 27% to Rs. 842 Cr, near-full plant use, and margins back to 17%. It sits on ~Rs. 3,900 Cr net cash.
- **What's going for it:**
- **Electrode prices are turning up.** Steel output outside China is recovering, old electrode plants have shut, and supply is tight — better prices should show from H2 FY27, and it's a low-cost producer. **Green steel is a long-term tailwind.** More global steel is made the EAF way, which needs electrodes, with little new capacity being built.
- **Cash-rich and debt-light.** The strong balance sheet funds an electrode expansion plus a large Rs. 4,330 Cr bet on synthetic graphite anode materials for EV batteries — a possible new growth engine.
- Risk: Demand rides the global steel cycle; needle coke (key input) is scarce and pricey; Chinese rivals are strong; and the big EV-materials plan is unproven.
- At CMP of ~Rs. 799 it trading at 71x its trailing earning mainly due to depressed FY26 earning.

ICICI Bank Limited

Banking	Recommendation **Buy**	Previous Day's Closing **INR 1302.00**	Buying Range **INR 1260 - 1310**

Technical View (Daily Chart)

Source: Falcon

Technical View

- ICICI Bank has undergone a corrective phase over the past four weeks, pulling back toward a crucial support zone around 1,280–1,290.
- A detailed look at the daily chart highlights the formation of a Bullish Reciprocal AB=CD harmonic pattern, which typically signals a potential trend reversal.
- Additionally, the daily RSI momentum oscillator is hovering in oversold territory, pointing to the likelihood of a relief bounce in the coming sessions.
- At current levels, the risk-reward ratio appears favorable for fresh long positions with a multi-month view.

Fundamental Overview

- **Steady growth in loans & advances**: The bank has clocked a 15% CAGR in loans & advances between FY19 and FY26, aided by robust growth in retail advances. Its extensive branch network and wide customer base have enabled the bank to attract high-quality customers, supporting steady growth in profitability. Advances grew 19.5% Y-o-Y in Q1FY27 to Rs. 16,31,260 cr, led by healthy traction in Business Banking (28.2% Y-o-Y) and Rural Loans (35.4% Y-o-Y). While management has not provided explicit guidance on loan growth, sustained business momentum across lending segments is expected to aid healthy growth going ahead.
- **Favorable liability profile**: On the liability front, the bank has built a strong deposit franchise over the years, supported by digital platforms. The CASA ratio stood at 39.5% as of Q1FY27, while term deposits grew by 17.3% Y-o-Y in Q1FY27.
- **Stable NIMs:** Net interest margins (NIMs) remained stable at ~4.36% in Q1FY27 vs 4.34% Q1FY26, aided by the bank's ability to acquire high-quality loans at attractive yields while maintaining a low cost of funds. We expect NIMs to remain ~4%, which should aid in sustaining RoE at current levels.
- **Improving asset quality:** Asset quality remained strong, with GNPA and NNPA at 1.38% & 0.35%, respectively, as of Q1FY27, despite stress observed across peers in the retail segment. The bank continues to maintain contingency provisions of Rs. 2,29,630 cr, providing a cushion against unforeseen events. Management has guided for credit costs of below 50 bps going forward, among the lowest in the peer group.
- **Healthy return ratios:** Driven by healthy business momentum, the bank reported a RoE of 17.1% and a RoA of 2.5% (annualized) in Q1FY27 on a standalone basis. Management remains confident of sustaining these return ratios over the long term.
- **Valuation**: At the CMP of Rs. 1,302, ICICI Bank is trading at 1.7x (adjusted for the value of its subsidiaries) its FY28E Bloomberg consensus standalone BV/share of Rs. 608.5.

Inventurus Knowledge Solutions Limited

IT Enabled Services	Recommendation **Buy**	Previous Day's Closing **INR 1768.40**	Buying Range **INR 1770 - 1820**

Technical View (Daily Chart)

Source: Falcon

Technical View

- Inventurus Knowledge Solutions has completed a large rounding-base breakout above the 1,780-1,800 resistance zone, following a prolonged corrective and accumulation phase.
- The recovery from the March–April low and subsequent move back towards the prior resistance has created a clear structural reversal, while the stock continues to hold above its 20-DMA, 50-DMA and 200-DMA.
- Post-breakout, the stock has undergone high-level consolidation near 1,800-1,900, which can be viewed as healthy digestion of the earlier move rather than a structural breakdown. Sustaining above 1,780-1,800 would keep the breakout intact, with 1,900-1,960 as the immediate resistance zone, a decisive move above 1,960 could open further upside towards 2,040-2,100. The 1,695-1655 zone remains the key positional support.

Fundamental Overview

- Inventurus Knowledge Solutions Ltd., which runs as IKS Health, is a healthcare-focused technology company that does the support work for US doctors. Its platforms handle non-core tasks — billing and admin, clinical paperwork, and day-to-day operations — so doctor groups (and the hospitals and health systems they work with) can focus on treating patients. Unlike most rivals who sell one-off tools, IKS covers the whole patient journey end-to-end, which makes it harder for clients to switch and builds stickier, longer relationships. It is also shifting more of its contracts to "outcome-based" pricing, where IKS gets paid based on the client's results — so it earns more as it creates more value. The US healthcare market is huge (~US$4.9tn), and the slice IKS targets (provider-focused tech) is worth ~US$222bn, versus IKS revenue of only ~US$315mn — so there is a long runway. In FY26 it earned revenue of Rs. 3,194 Cr (+20%) and net profit of ~Rs. 722 Cr (+48%); Q1 FY27 revenue was Rs. 894 Cr (+21%).
- **Why we like it:**
- **A big, under-served market.** IKS is a small player in a massive market, with plenty of room to grow for years.
- **Sticky, full-service model.** End-to-end solutions and outcome-linked pricing lock in clients and grow revenue per client over time.
- **AI is a tailwind, not a threat.** IKS is moving from people-led work to AI-led work with people checking it — this lifts productivity and margins (profit margins have risen from ~20% to ~32%).
- **Growth through smart buyouts.** After buying AQuity in 2023 (cross-selling opportunity), IKS has agreed to buy US firm TruBridge for up to ~US$565 Mn, pushing it into rural and community hospitals — a new, larger market.
- **Strong, proven money-making.** ~19% long-term revenue growth, ~30% return on equity, ~85% cash conversion and a near debt-free balance sheet.
- **Risk:** The company shares few details (like deal sizes) and gives no formal guidance, so progress is hard to track; US healthcare rule changes could hurt outsourcing; big acquisitions like TruBridge carry integration risk; and the stock is expensive.
- At CMP of ~Rs. 1768, the stock trades at ~40x trailing earnings

Quality Power Electrical Equipments Limited

Heavy Electrical Equipment	Recommendation	Previous Day's Closing	Buying Range
	Buy	**INR 1592.70**	**INR 1550 - 1600**

Technical View (Daily Chart)

Source: Falcon

Technical View

- Quality Power Electrical Equipment has completed a multi-days rounding-bottom breakout above the 1,430-1,450 neckline zone, marking a significant structural reversal after an extended consolidation phase.
- The breakout has been followed by a sustained up move, with the stock maintaining a strong sequence of higher highs and higher lows and trading firmly above its 20-EMA, 50-EMA and 200-EMA.
- The recent price action suggests post-breakout acceptance at higher levels, rather than a failed breakout, with the old resistance zone now acting as an important base.
- Sustaining above 1,440-1,480 could keep the momentum intact towards 1,700-1,800, while 1,375 coinciding with 50-Day EMA remains the immediate positional support.

Fundamental Overview

- **Quality Power Electrical Equipments Ltd. (NSE: QPOWER)** is a Sangli-based maker of high-voltage electrical equipment and power-quality systems, with 7 plants in India and Turkey serving 200+ customers in 100+ countries, including Hitachi Energy, GE Vernova and Siemens Energy. It makes reactors, line traps and transformers up to 765 kV, instrument transformers (Mehru) and FACTS/BESS power converters (Endoks, Turkey). FY26 was an all-time high: revenue Rs. 947 Cr (+180%), EBITDA Rs. 177 Cr (18.6% margin) and PAT Rs. 186 Cr (+85%), with ROCE of ~40%. The Q1 FY27 order book hit a record Rs. 1,945 Cr, ~2x FY26 revenue.
- **Why we like it:**
- **Multiple growth engines.** HVDC, US data-centre reactors, a ~USD60 Mn BESS pipeline and GIS components support management's guidance of 20% growth in FY27 and 50% in FY28.
- **Capacity-led step-up.** The Sangli coil factory (peak revenue ~Rs. 1,500 Cr), Endoks' BESS plant and a Turkey instrument-transformer plant start in Q3/Q4 FY27.
- **WinWin acquisition.** 100% of Winwin Speciality Insulators for Rs. 272 Cr (part shares at Rs. 1,460, part cash) adds an 18,000 MTPA insulator plant in the Vizag SEZ, with Rs. 450–500 Cr revenue potential after ~Rs. 50 Cr capex.
- **QIP of up to Rs. 700 Cr**. It funds the WinWin cash payment, capex and US expansion while keeping the balance sheet near debt-free.
- **Risk :** Sangli approval and audit delays, IGBT (semiconductor) shortages in BESS, WinWin turnaround risk (FY26 revenue ~Rs. 17 Cr), ~6% QIP dilution, ~35% of profits going to minority shareholders, and weak cash conversion.
- At CMP of 1,593, stock trades at a P/E multiple of 93x TTM EPS.

Sharda Motor Industries Limited

Auto Components & Equipments	Recommendation	Previous Day's Closing	Buying Range
	Buy	INR 945.10	INR 930 - 970

Technical View (Daily Chart)

Source: Falcon

Technical View

- The stock has broken out of a symmetrical triangle formation on the daily timeframe, signalling a potential resumption of the upward move.
- The price remains above the 20, 50, 100 and 200 DEMA, confirming a favorable trend setup across multiple periods.
- RSI is positively sloped, suggesting strengthening momentum and continued buying interest.
- The combination of the pattern breakout and supportive momentum indicators points towards a constructive near-term technical outlook.

Fundamental Overview

- Sharda Motor Industries Ltd. is a New Delhi-based Tier-1 auto ancillary and India's largest independent maker of emission-control (exhaust) systems, with ~30% value share in domestic PV/LCV. It runs 8 backward-integrated plants, supplies every major PV OEM except Maruti (M&M, Hyundai, Tata), and holds a JV with Purem (Eberspächer) for CV after-treatment. It has also built a ~14%-share lightweighting/suspension vertical and a nascent exports arm. FY26 revenue was Rs. 3,397 Cr (+20%), EBITDA Rs. 419 Cr (12.3% margin) and PAT ~Rs. 345 Cr, with ROE ~25%. It is debt-free with ~Rs. 1,240 Cr net cash and a secured order book of ~US$249 Mn lifetime value.
- **Why we like it:**
- **A longer ICE runway than the market thinks.** Market assumes EVs will take over much faster than likely — about 57% of cars by FY40 versus a more realistic ~33%. Even as EVs grow, a bigger overall car market keeps petrol/diesel volumes steady, and stricter emission rules (TREM-V, BS-VII) mean more exhaust content per vehicle.
- **Lightweighting pivot.** Six secured control-arm orders (~US$30 Mn peak) plus the Donghee TLA (torsion beams, subframes; Rs. 80–100 bn TAM) take this from ~10% to ~22% of sales by FY31 — powertrain-agnostic.
- **Exports ramp.** North American CV/genset/agri orders (~US$18 Mn peak) against a US$1.8 bn US/EU TAM scale exports to ~6% of sales by FY31.
- **Cash-rich, self-funding.** ~Rs. 880 Cr post-capex cash over FY24–26, zero debt.
- **Risk:** faster BEV adoption, SOP-timing/execution slippage on new orders, Donghee conversion risk, customer concentration with no aftermarket, and capital-allocation risk on the cash pile.
- At CMP of Rs. 945, the stock trades at ~16x TTM EPS.

Sona BLW Precision Forgings Limited

Auto Components & Equipments	Recommendation **Buy**	Previous Day's Closing **INR 807.90**	Buying Range **INR 790 - 820**

Technical View (Weekly Chart)

Source: Falcon

Technical View

- The stock continues to maintain a strong and well-established uptrend across the monthly, weekly and daily timeframes, reflecting sustained buying interest.
- It has delivered a four-year breakout on the monthly timeframe, marking a significant long-term structural breakout.
- The stock is trading above its 20, 50, 100 and 200 DEMA, highlighting strong alignment across short, medium and long term trends.
- Price action remains constructive, with the stock consistently forming higher highs and higher lows, reinforcing the broader bullish structure.

Fundamental Overview

- **Robust order book and new growth engines to sustain growth momentum:** Sona reported its highest-ever quarterly revenue of Rs. 1,310 cr in Q1FY27 (+54% YoY), with BEV revenue more than doubling to 44% of automotive product sales. This builds on a strong growth trajectory, with revenue expanding ~10x over FY15–25 and delivering a 23% CAGR over the last five years. Near-term growth is expected to be driven by EV suspension motors (management expects ~3–4x volume growth in FY27) and traction motors, supported by a net order book of Rs. 24,000 cr (5.4x FY26 revenue), executable over the next ~10 years. Over the longer term, the DENSO JVs (representing a ~Rs. 24,000 cr Indian EV/hybrid opportunity by 2030) and the Robotics & Physical AI vertical (Rs. 800 cr order book) provide additional growth levers. Consensus estimates a Revenue/PAT CAGR of 25%/28% over FY26–28E.
- **Technology-led moat with dominant market share:** Sona commands a dominant ~55–60%, ~80–90% and ~75–85% share of India's PV, CV and tractor differential gear markets, respectively, while its global market share has nearly doubled from 4.5% in CY19 to 8.7% in CY25. Its robust R&D ecosystem, comprising 5 centres and ~500 engineers (R&D spend of Rs. 126 cr in FY26), has enabled products launched over the last seven years to contribute over 35% of revenue. Further, royalty payments by the DENSO JV for Sona's 2W/3W technology underscore its technological capabilities and differentiated engineering expertise.
- **Strong cash generation and net-cash balance sheet:** Sona has converted ~72% of its EBITDA into operating cash flow over FY23–26, enabling it to fund the Rs. 1,643 cr Railway acquisition entirely through internal accruals while maintaining a net cash position of Rs. 1,026 cr at FY26-end (net debt-to-equity of –17.2%). While EBITDA margin moderated to 23.1% in Q1FY27, management expects a recovery from Q2FY27 onwards as cost pass-throughs catch up. At a CMP of Rs. 808, the stock trades at ~72x TTM EPS; we maintain positive view on the company.

Varroc Engineering Limited

Auto Components & Equipments	Recommendation	Previous Day's Closing	Buying Range
	Buy	**INR 848.35**	**INR 820 - 850**

Technical View (Weekly Chart)

Source: Falcon

Technical View

- The stock has delivered a symmetrical triangle breakout on the weekly timeframe, signalling a potential acceleration in momentum and a positive shift in the medium-term trend.
- Price is trading near multi-year highs despite the prevailing market volatility, highlighting relative strength and sustained investor interest.
- On the weekly chart, the stock has moved above the 50-day and 200-day EMAs, indicating improving trend strength and a strengthening price structure.
- RSI is sustaining at elevated levels around 70, reflecting strong positive momentum and continued buying interest in the stock.

Fundamental Overview

- **Rebased platform, balance-sheet-led earnings turn:** Varroc 2.0 is a cleaner franchise after exiting the loss-making global 4W lighting business (FY22, to Plastic Omnium) and the China JV, which nearly halved the balance sheet, cut borrowings ~55%, and lifted RoCE from ~7% to ~20%. Now India-centric (~89% of revenue) and anchored in 2W/3W (~76% of sales), we forecast FY26–28E Revenue/EBITDA/Adj PAT CAGRs of ~21%/~29%/~57%. The profit inflection is driven by deleveraging, not margins — EBIT nearly doubles (Rs. 498 cr to Rs. 1,016 cr) as finance costs halve and net debt falls from Rs. 557 cr to ~Rs. 49 cr, lifting RoE to ~27% and RoCE to ~36%, all self-funded.
- **EV powertrain and order-book conversion driving growth:** EV revenue is expected to compound ~88% (Rs. 1,147 cr to Rs. 4,071 cr by FY28E), lifting the EV mix from ~13% to ~31% — a multiplicative story of ~40% industry penetration CAGR × Varroc's over-indexed EV share (13% vs. 6.4%) × 5–6x content per EV, with rare-earth-free SynRM motors offering OEMs China-independent supply security. This is backed by a Rs. 3,609 cr order book (~41% of FY26 sales; 72% EV), with Rs. 2,316 cr entering production in FY27. Alongside, the overseas EBITDA loss more than halved YoY (Romania guided to break even by Q4FY27) and ~Rs. 115 cr of self-help supports margins — the India standalone business already earns ~11.5%.
- **Valuation — cheap on estimates, governance the key monitorable:** With FY26–28E EBITDA/Adj PAT CAGRs of ~29%/~57% (vs. peers' ~22%/~32%) and the highest FY28E RoE/RoCE in the peer set, Varroc screens cheap — at the CMP of ~Rs. 848, the stock trades at just ~20x FY28E P/E (PEG ~0.3x), versus a ~36x peer-average P/E. Even after factoring in thin absolute margins and some earnings-quality and governance concerns, the discount looks too deep — and with the cleaner, deleveraged Varroc 2.0 now delivering, we see clear room for a re-rating and upside from here.

Disclaimer (1/2)

Absolute Rating Interpretation

BUY	Stock expected to provide positive returns of >15% over a 1-year horizon	**REDUCE**	Stock expected to provide returns of <5% – -10% over a 1-year horizon
ACCUMULATE	Stock expected to provide positive returns of >5% – <15% over a 1-year horizon	**SELL**	Stock expected to fall >10% over a 1-year horizon
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