Twitter Thread by LearnLifeWealthTravel | Dream Big, Think Growth !!



LearnLifeWealthTravel | Dream Big, Think Growth !!
@AnyBodyCanFly

Since the debate on 'What is quality' is never ending, here is a thread on few points that I feel useful in judging if the company is a quality company or not.

Have a look at the entire thread & please add more useful points from your end.

Please RT for wider participation.

Quality company - Point 1

- Management has never been into any corporate governance issue so far & sounds so clean that it may never get into any corporate governance issue in future too.

Quality company - Point 2

- Besides corporate governance & beyond the company, management has never been into any wrong doings in the public domain, viz. any fraud or criminal activity.

Quality company - Point 3

- Management doesn't come too often on media, into investor meets, meet 1-1 with investors.

Such management focus on business rather than investors.

Quality company - Point 4

- Management doesn't grow business too aggressively.

Conservative management with a milestone based approach helps better in long run.

Quality company - Point 5

- With the ageing of management, there is a visible succession plan.

The next generation entrepreneurs, either from family or outside, should be aligned well with the company objectives.

Quality company - Point 6

- An untimely acquisition, expansion to excess capacity, expanding into areas of less expertise, expanding into over crowded geographies.

If management doing any of these, needs to be understood deep.

Management should not be over confident.

Quality company - Point 7

- Growing the company at the cost of debt may not work always.

Management should be efficient in containing costs & managing debt.

Debt free companies with reasonable promoter stake & zero pledging are safe & sound.

Quality company - Point 8

- Management should be stakeholder friendly.

There should be respectable dividend payout out of the profits.

If any unforeseen accident in company, employees should be well taken care of and Business customers should be well informed.

Quality company - Point 9

- Management should answer every question asked during AGM / conference calls with a satisfactory closure.

Leaving questions opened is not a good sign.

Quality company - Point 10

- Management should be good in managing competition thru continued research & innovation.

Good companies are trend starters rather than trend followers.