Twitter Thread by Jiten Parmar



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Accidents happens when one doesn't look at valuations.

A supposedly platform stock listed in 2019. OFS price was 320 Rs. High of 6396 made yesterday.

Mcap crossed 1 lac crore.

Company was affected by CoVid so will talk a bit on pre-CoVid nos.

1/3

Sales of 2300 cr in FY20. NP 730 cr. Company has a monopoly given by the govt. Business is good and many extensions taking place, which will take time to bear fruit, if at all. But valuation-wise it had gone bonkers.

2/3

Stock corrected 40%+ in 2 days. This is what can happen when one doesn't heed valuations. And ignores the risks to the business. And only looks at blue sky scenario.

A good company may not be a good investment, at any price.

3/3