

Mohnish Pabrai's Q&A session with Dakshana scholars at the JNV Bangalore Urban on December 25, 2025

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Mohnish: It's a pleasure to be here with all of you. Let's get started with your first question.

Vishal: Hello Mohnish, I am Vishal Prajapati from Tikamgarh, Madhya Pradesh. And my question for you is: Charles T. Munger, your close friend and mentor, is known for his deep wisdom and clear thinking. In what way did he influence your mindset and worldview beyond financial lessons?

Mohnish: You've seen Mr. Munger right there behind us every day, which is great. It's wonderful. And Charlie lived to be 99.9 years old. There was a 100th birthday celebration planned. And unfortunately, he passed away just about a month before his 100th birthday. He was born on January 1st, 1924. And he died on, I think, November 28th, 2023. And the last time I met him in his house was exactly one month before he passed away—October 28th, 2023. I didn't know at that time that that would be our last meeting. And he was still very sharp. And he was telling me a lot of things are wrong with his body, but his mind was very sharp.

So, I mean, Charlie was a very good friend. He is probably the smartest person I've ever met in my life. Highest horsepower and broadest range of knowledge of any human I've ever come across. The thing that Charlie was famous for was his focus on mental models. And we're going to talk about mental models. I'll just put it here because it will come up a few times.

These mental models are kind of like a hack. It's kind of like a shortcut in the sense that if I follow certain mental models and somebody else doesn't know those models, I can work a lot less hard than the other person and have much better outcomes, much better results. Because I'm kind of almost cheating, you know, I'm taking a kind of a shortcut.

The first mental model that I'll put up, this is what I would call the Aadhaar mental model, the foundation. So, without this model, the other models don't really make a lot of sense. So, the first model is: take a simple idea and take it seriously. So, the seriously part is the important part. So, what will happen today, for example, is we will have some interaction for the next hour or so. And most of you will basically leave the session with the perspective that will have no impact on your life. You have impact when you take something and you go full on, completely into it. Right. And if you take some idea or some model and you don't go all in on that model, you will not even get 5% of the benefit. So, if you go 80%, you will get very little benefit. You have to get to 95, 98, 100% and then the benefits go exponential.

So, these models—and there are too many models for me to be able

to discuss them all with you in the time we have—the important thing about these models is when multiple models work together at the same time. And when you start using multiple models at the same time, *ye sab JEE ke curriculum me nahi hai, ye sab IIT ke curriculum me nahi hai* [all this is not in the JEE curriculum, all this is not in the IIT curriculum]. It is beyond the capability of the IITs to talk about this. And it is beyond the capability of the IIMs or any institute in India to talk about what I'm talking to you about. Because they don't have Munger wisdom.

So, basically, *mai jo aapko bol raha hu jabardast funda hai, lekin this funda will only work if you apply the first Adhaar funda*, which is to go all in [what I am telling you is a fantastic principle, but this principle will only work if you apply the first foundation principle, which is to go all in]. And these models will be different for each of us. Like some models will be very important to me. They may not be very important to you. But what happens is when you go through life, you encounter certain things. And the big benefit comes when you understand something about the way the world works that most other humans do not understand. And so when you understand something where there is some nugget of wisdom that most humans are not using, that's going to give you an edge.

And it's the overlaying of 3, 5, 7, 10 of these models. When you start overlaying the models, 1 plus 1 becomes 11. 1 plus 1 plus 1 becomes 111. And what is 1 plus 1 plus 1 plus 1? Don't answer the JEE paper this way. It will not help you. They don't think it's 1111. They think it's 4. But it's 1111. So, as we proceed forward in today's session, I don't remember the different questions you guys have. But I'm hoping that I will twist the answer to bring in the models. Right.

So, the second model which we will go to, which actually most people know already, is the concept of a Karam Yogi. This is not a Charlie model. Charlie didn't know what a Karam Yogi is. I never discussed it with him. But the Karam Yogi concept comes from the Bhagavad Gita. So, these models can come from anywhere. And if I think about this particular model, large numbers of people in India are very familiar with the model. But an extremely small number follow it. And why do they not follow it? Because *unko first model samajh nahi aya, to agar first model samajh nahi aya to second model kaise apply karoge* [they didn't understand the first model, so if they didn't understand the first model, how will they apply the second model].

So, if you don't understand the first model, how will you apply the second model? So, take a simple model and take it seriously, which means the Karam Yogi has to be taken full on. It can be some concept that you read in the Gita and say, okay, I understand what a Karam Yogi is. So, and then now what does the Karam Yogi have to do with getting rich or starting a business? Well, it has everything to do with it.

So, the purpose of business is not to make money. And the purpose to start a business is not to make money. So, let's put that as a third mental model. So, everybody starts a business to make money. *Bewakoof hai* [They are fools]. If you apply all three of these together at the same time, now you are operating in a different zone than 99% of humans. Even 99% of humans who start businesses. Because we are not starting a business to make money. So why are we starting a business? The only reason to start a business is to deliver some product or service to humanity that makes their life better.

Okay, so why are we starting a business? We want to deliver some product or service to humanity to make their lives better. If you do that, the money is a side effect. So, if you start by saying, okay, I want to get rich, I want to make a lot of money, you have violated the second model. What is a Karam Yogi? Our focus is to do our duty, not to focus on the reward. That is what a Karam Yogi is. The guys who wrote the Gita didn't even realize they were really talking about entrepreneurship. Because you can take that Karam Yogi concept and now you can apply it to how you start a business or run a business, etc.

So, you know, we have Jio, which provides mobile phone service. So, when Mukesh Ambani wanted to start Jio, there were a bunch of already existing players who were very dominant in the mobile phone arena in India. Airtel, for example, was very dominant, etc. Mukesh Ambani said that I want to drop the cost of cellular service, mobile service by 90%. And he pursued the model for Jio with an intense ferocity of reduction of cost, right? Most of the benefit of Jio goes to all the users of Jio, not to the Ambanis. The Ambanis do well because they have given something great to humans.

The cost of mobile phone service that Jio charges in India, you cannot get that anywhere in the world. You go to any country in the world, you look at the cost of the mobile service, Jio will be one-tenth of that or one-fifth of that, much lower. Even now Airtel cannot match that. So, he delivered something of tremendous value and the money followed as a side effect. So, if you start with the wrong goal, which is I want to make money. Now, the beautiful thing about this whole thing is that 99.999% of entrepreneurs or businesspeople do not understand these models. They don't understand why they are in business. They all think they are in the business for the wrong reasons. And so, therefore, you get an advantage.

So, you asked about daily routines. So, probably what several hundred years ago, the printing press was invented. And for the first time, humans were able to write down what they were thinking, get it mass produced. And humans that had not even met them could learn from that knowledge. So, the printing press was a huge leap forward for humans. We took off exponentially after that.

There was an astronomer named Carl Sagan. And Carl Sagan said that a book, you know, which is printed, a printed book is like time travel. Because someone could have written that book 400 years ago, right? And you are reading it today. And you are having a one-way conversation with that person. So, you're able to have a conversation with a person who's not even alive. And you're able to have a conversation with someone who maybe died 100 years ago, 50 years ago, 200 years ago. It doesn't matter, right?

So, books, for example, gave us a huge edge in terms of how knowledge gets assimilated. And the other thing about a book is that if you go to buy a book, it doesn't cost much. You know, hundred rupees, few hundred rupees, something like that. But if you look at the effort of the person who wrote the book, it could have taken a year, could have taken two years, six months, long time. And you cannot pay that person 200 rupees and tell him, give me a book. He can only do that because a large number of humans are buying the book and therefore the economics work out.

So, when I look at something as simple as a book, a book is not a book. A book is an incredible one-way conversation on the subject that you're choosing, right? And we can pick up knowledge on any subject we want from a set of books on that subject. We don't need to go to college. We don't even need to have any teachers. We can just teach ourselves.

So, one of my models is that I focused on reading. I read quite a bit because it gives an edge, the same edge like these other edges that we're getting. And so, recently, for example, and I think you guys don't have that much internet access, but recently I ran into something known as the Founders Podcast. So, after you finish at Dakshana and before you join IIT, you will have some free time. And in that free time, what you can do is you can go to the Founders Podcast on your mobile phone, whatever. And I think there are about 420 episodes the guy has recorded. Each episode is between one to one and a half hours to two hours long. In each episode, he covers one book, okay? It's not a summary of the book. He's analyzing the book.

So, what I found with him is that books that I had read, which I thought I learned what I had to learn from that book, when I later listened to the Founders Podcast on that book, I learned things that I never learned when I read the book. Even though he's only talking about maybe 10-20% of the things in that book. So, I found that more powerful than reading a book was to listen to an episode if he has covered that book. And it's much faster.

So, I cannot read a book in one hour, right? If I pick up a book to read, it will take several days to read the book and there's so many things going on. But I can finish an episode in an hour, hour and a half. So, I only listen to the episodes in the bathroom because that time is no longer wasted. So, when I'm shaving or showering or brushing my teeth, the episode is going on, right? And usually in a day, half an hour, 45 minutes, maybe an hour, I can finish an episode in one or two days, basically. So, so far, I have listened to about 225 episodes. And I have another 195 or so more to go, but he's adding, you know, every couple of weeks he adds a new episode. So, it will take some time to run out of them.

But the important thing about these episodes is that if I'm reading a book, I control what book I read, right? I'm going to say, I want to learn about AI. So, I'll read a book on AI, for example, right? But in these episodes, I cannot control what book I'm reading or what book or what episode I'm listening to. So, I made two or three principles in listening to the episodes. The first principle was that no matter what the episode is all about, I will listen to every episode in its entirety. Because he is talking about some books written by people in sports, some books written by musicians, some books written by artists, many books written by businesspeople, right? So, there's a mix of many different kind of books coming in. And then he's drawing—there's books on, he's done episodes on Alexander the Great, on Winston Churchill, on the founder of Hyundai. And so, they're all over the place.

So, the important thing for me is that because I do not control the content, my things that I'm able to learn will be broader than if I pick what I'm going to read, right? If I pick what I'm going to read, it'll be pretty narrow. This becomes broad. And so, again, the Founders Podcast goes back to the first idea, which is take it seriously. I have not met anyone. I met a lot of people in the US who listen to the Founders

Podcast. I have not met anyone who is focused on it like I am. They will see that, oh, this episode is about some sports guy. I'm not interested in sports. I'm skipping this one. This episode is about Alexander the Great. I don't want to know what Alexander did. I'll skip this one. I'm not skipping anything, right? So, again, it's about going after it with an intensity and with a ferociousness. And let's go to the next question.

Ankesh: Hello Mohnish, I am Ankesh Dhakar from Morena, Madhya Pradesh. My question is: what are your expectations from every Dakshana student? Why are you giving free education to us? What is your motive behind it?

Mohnish: This question you asked, I get asked a lot by Dakshana scholars. In fact, when Ravi sent me the list of questions, there must be at least three or four dozen Dakshana scholars who were asking this. Their question is: what is the angle? Why are you doing this? What is the point of doing something if you are not going to get any benefit from it?

Most humans are not used to other humans doing things for them with no expectations. So, to answer your question very quickly, I have no expectations from you. Zero. It is a one-way transfer. There is no request to give to Dakshana later, or help other humans later, or be a good citizen. Dakshana is not telling you any of those things. It is by design that we are not telling you these things because we want the transfer to be a selfless transfer.

For the most part, life is meaningless. A lot of theories say that consciousness arose on earth through a random set of events. One day the sun will stop shining, and life on earth will cease to exist. Humans will likely cease to exist much before that. Even as individuals, we are on a tiny blue dot in a very large universe that has been around for four and a half to five billion years. We are around for a very small sliver of time relative to that.

The way I look at it, life has no meaning, so we can give it some meaning to make it interesting. Let's leave the planet slightly better than we found it. Dakshana does what it does for two reasons: one, we can leave the planet a better place and make you more productive than you would have been otherwise. The second reason—probably the more important one for me—is that I like to play math games. You are part of the math game. I have one engine that makes money and another that gives it away. Compounding is the eighth wonder of the world, as Einstein said.

I am going to leave planet Earth on June 11th, 2054. I used to have a plan to leave in 2044, but a couple of years ago, I asked God Google when I am going to leave, and it updated my life expectancy. So, only 29 years are left now, but that is plenty of time. By June 10th, 2054, one day before departure, I would like to have almost no money left. We will try to compound on one side and give it away efficiently on the other. Dakshana is a very high efficiency way to give money away. And so, that's what's going on here. It's not a mental model. Let's go to the next question.

Alok: Hello Mohnish, myself Alok Uraon from Raigarh, Chhattisgarh. My question is, how did you build a core team to start Dakshana?

Mohnish: We get to the next mental model. Let's see, do you like the sliding

board? I got it done after a lot of difficulty. The sliding board is a mental model—the model of cloning or copying. I took some classes at Harvard Business School where they had these sliding boards going up and down, which I had never seen before. I said, I cannot come up with such ideas, so we will just clone it. No other JEE coaching place has them as far as I know, but it is a great thing.

We were talking about the team, but first, let's look at the fifth mental model, which comes from the Upanishads. They wrote the Upanishads so I could build a team and answer your question. This is what they said 2,000 years ago: "As is your wish, so is your will. As is your will, so is your deed. As is your deed, so is your destiny." Your deepest desire is your destiny.

This leads to model 5.1: belief comes before capability. This is extremely important. Go back to the first model: take it seriously. Steven Spielberg, when he was eight years old and knew nothing about movies, said, "I want to be a film director." He had never even held a camera. Belief came before capability.

Model 5.2 is that the world is a lot more malleable [flexible] than you think. It can bend to you. So, I have an idea for Dakshana in 2006. I have never run a non-profit, a company, or anything in education before. Does all that matter? No. I don't need capability; I only need a pulse and the models.

When I started Dakshana, I posted a description on the IIT Madras alumni message board. A 65-year-old retired IIT Madras graduate contacted me and said he was free and could help. I said, okay, let's take the applicant. I offered him 5,000 rupees a day for Dakshana-related work. Dakshana was just an idea in my head at that point.

I liked the Super 30 model, so I asked Anand Kumar if I could copy it. He said, "This is a very good thing, copy it." But Super 30 had a brand; Dakshana had nothing. If we had a selection test in 2006, nobody would have shown up. I faced the problem of how to find bright, poor kids to apply. But the model says there is no need for skill. If you have a pulse and the models, everything else is there.

I told my guy, Ramesh, to relocate to Kota. I said, "Go to all the coaching institutes and tell them that if a poor kid clears your test but cannot afford the fees, send them to us. We will pay." They started sending us kids. I didn't care if they were smart or if they went to IIT; I just needed to gather data and build expertise.

Ramesh eventually heard about the JNV system. I had never heard of it, but JNV headquarters in Delhi was facing a problem: they had talented kids, but no coaching after 12th grade. The government had already found the poor kids. Hallelujah. That was the missing piece.

We kept putting one foot in front of the other, gathering data as we went. We didn't need to know the answer before we started. Eventually, alums started graduating and joining our management and faculty. We don't care about perfection; we just care that tomorrow is better than today. As they say in Punjabi, "*Hing lage na Fitkari, rang chokhahoye*" [Spend nothing on ingredients, yet get a brilliant color/result]. Try to ask God Google what that means!

Krishna Prasad: Hello Mohnish, I'm Krishna Prasad from Nalgonda, Telangana. In *The Dhandho Investor*, you differentiate between low risk and high uncertainty. When we start working, which major industry or sector will create a potential Dhandho opportunity?

Mohnish: This question was already answered. You cannot pursue money. You need to be a Karam Yogi. It is wrong to think, "which area will give me the most opportunity?" The correct way is: what am I passionate about? What product or service can I bring to humanity that will make their lives better? If I do that, the rest will take care of itself. People are excited about AI, but don't get excited about things others are excited about. Get excited about what you are truly interested in. I was interested in Dakshana, and we cracked the code. Next question.

Prince: I am Prince from JNV Auraiya, Uttar Pradesh. Since you have interacted with thousands of students, apart from hard work, what qualities differentiate the students who achieve breakout success from those who remain average?

Mohnish: Hard work is overrated. Mental models are underrated. If you overdose on mental models, they carry a lot of weight. You have to think smart. When I was going after Dakshana, I knew certain things did not matter. The fact that I cannot teach a math class is irrelevant. Dakshana is 30 or 40 times the size of Super 30, and the guy who started it is not a teacher. I've only given you five models so far. I probably have maybe 20 or 30 models that carry most of the weight. The important thing is when three or four of them start working together in the same direction, that's when you blow out humanity- that is when you start combining models. That was the genius of Charlie Munger. Charlie Munger was very smart, but he was able to enhance his wisdom dramatically because of these models. And it gave him a big edge in life because he was so much beyond what all the other guys were. Next question.

Md. Shadab: Hello, Mohnish. Myself Mohammad Shadab from Sahadol, Madhya Pradesh. My question to you is, I heard you talking about one of your philosophies, the copy-pasting method. How did you arrive at this conclusion? Is the copy-pasting method a good approach to become extremely successful like you?

Mohnish: The method is not a copy-pasting method. Copying is part of it, but the pasting part is a little bit different. So, the model number four, the cloning model, is a very powerful model because most humans think: when they see something already exists, they think this has already been done, so there's no reason to pursue it. The world can accommodate multiple versions of the same thing. So, if I look at a company selling pizza, for example, there can easily be 3, 4, or 5 companies selling pizza. No problem. Selling ice cream, you can have multiple people selling ice cream. Pretty much any business or industry you look at can accommodate multiple people. So, if people looked at something like Super 30, they might say, "Oh, this has already been done." We did not copy-paste Super 30. We took that model, we modified that model, adapted it to what would work for us, and executed that. So, it's not a direct cut-and-paste. Sometimes a direct cut-and-paste can work, but usually it will not. You have to take something, make it your own, and give it the shape that makes it unique within the context of cloning. There is some granularity to copying and to thinking about how to clone and copy. If you can do

that, then yeah, that can give you an edge. And actually, when I talked about bringing some great product or service to this world, it doesn't need to be something new. It can be something somebody else has already done. So, it's much easier. I cannot come up with new ideas. I cannot come up with the idea for the way Dakshana is. If Anand Kumar is not there, we don't have Dakshana. We are dependent on him for the core nucleus of the idea. If we don't have that nucleus of the idea, we cannot go anywhere. We take the nucleus of the idea from wherever, and then we can build on it from there. Next question.

Krishna Prasad: Hi Mohnish, I'm Krishna Prasad from Nalgonda, Telangana. You have stated that you prefer painfully simple businesses in industries with an ultra-slow rate of change. However, technology is accelerating the rate of change across almost all sectors. How do you maintain and define your circle of competence in a world where technology is constantly disrupting simple business models, and have you been forced to expand your circle to include areas you previously avoided?

Mohnish: My degree is in computer engineering. I think technology is overrated. When I look at someone like Charlie Munger, in his entire life, he never used a mobile phone. He never touched a computer. But he could have a conversation with me about Google, about AI, about Microsoft, about all kinds of things. The guy has never touched a computer. He's never made a phone call with a mobile phone. But he knows it because he's wise beyond his years, because of all the models he has. He's cracked so many things in different ways that most other humans cannot crack. I think it's the wrong answer to think that in order to be successful, I need to come up with some technological advance. It may be that the technological advance is the right thing, but it could also be something very basic and simple. One doesn't really need to think that you need to do something new or cutting-edge to be successful. The more important thing is: what are you passionate about? What do you love? If you love to write stories, that's what you should do. If you love to paint, that's what you should do. If you love to sing, that's what you should do. So, I would not worry about doing things that appear to be state-of-the-art or advanced. I would just focus more on what I am most passionate about and go from there. Next question.

Arvind: Hello Mohnish, I am Arvind Singh from Agra. My question to you is: why don't you teach your students how to make money through the stock market or investment like you do instead of focusing only on studies?

Mohnish: The reason I don't talk about that is because you need to do things that you are passionate about. You don't need to do things that I am passionate about. You need to find out what is your passion. So, what is the point of me telling you that by doing this, you will become a very good investor? That has no meaning, because I have already said that books are like time travel. If you are passionate about investing like I was, you will find the right books, you will read the right books, you will crack the fundas [principles], and you will go. You don't need me. So why should I waste my time talking to you guys about something that you may not have an interest in? I would rather that—the more important journey for all of you, which is a very difficult journey, is to figure out what you love. Figuring out what you love is very difficult because what CBSE has done is lay down a straight and narrow path for you. That path may not be for you. You have to figure out: what is my path, what is my calling, what am I supposed to do? These are things only you can answer. Next question.

Ravi Kumar: Hello Mohnish, I am Ravi Kumar from JNV Madhubani, Bihar. It is said that in the real world, many skills such as communication, speaking, and leadership are very important besides academics. I feel that I am somewhat lacking in these skills, and you are at a position where these skills play a crucial role. You have met many great personalities around the world. So, in what way do these skills play their importance? What skills are you using in your personal life and how can we improve ours?

Mohnish: Humans love to listen to stories. You need to be a good storyteller. There are unlimited stories. If you cannot tell stories that are engaging to humans, you will have difficulty in life. It is very easy to become a good communicator and a good storyteller. There is an organization called Toastmasters. People do all kinds of things to help people with no benefit to themselves. Dakshana is not the only one. There are thousands of such things. Toastmasters is an example of that. There are several chapters of Toastmasters here in Bangalore and in every city in India—and every city in the world. What you should do is go to Google and ask about Toastmasters chapters. Just go to a Toastmasters meeting. You don't need to pay anything. They are going to teach you how to become a good public speaker without charging you anything. Completely selfless, one-way, just like Dakshana. Such a beautiful thing. When you join an IIT or NIT, all the IITs have theater, drama, and plays that students join. Public speaking, debating—join these groups. If you join the theater group at IIT Kharagpur, for example, your communication skills will improve. The other thing you should do is become friends with the rich people at IIT who communicate very well, who speak English very well. Leave your Dakshana brothers and sisters behind. You can meet them once in a while, but go into new areas with new friends—friends who have skills that you don't have. That will not be comforting, but if we have to grow, we need to do things that are not comfortable. If we are just with our Dakshana people, we are very comfortable, but there is no growth in that. You have to break the mold and go outside. There was a Dakshana scholar—I forget his name—who was very interested in improving his communication skills. At IIT Delhi, he became friends with these kids who had come from elite schools and spoke English very well. They used to make fun of him. He felt bad, but he did not stop interacting with them. He said, "They will make me a better communicator. Let them make fun of me. I will bear it. But I am focused on my objective, which is to communicate better." He looked at his objective and he took pain for that objective. Next question.

Varsha: Hi Mohnish, I am Varsha from Madhubani, Bihar. My question is, from where did you get such a great idea to create an organization like Dakshana Foundation?

Mohnish: I answered some part of the question, maybe not all of it. In 2006, I was in the bathroom doing number two and I was reading *Business Week*. It had an article on Super 30. I had never heard of Super 30 before then, but when I read it, I said this is amazing. It was just a one-page article. So, we applied the first model: take a simple idea and take it seriously. That article was read by hundreds of thousands of people, but very few would have done the work to find Anand Kumar's email address. I found his email address and I sent him an email saying, "I read your article, it's wonderful, and I would love to support Super 30." He replied saying, "Thank you for your nice note, we don't take any outside

money." I sent another message to try to convince him, and he sent the same message again. So, I said, "This is a copy-paste. He has a standard response because he doesn't want to waste time." I sent him a message saying, "My two messages are a little different, but your response is the same." So, I said let's try a different approach. I said, "I would like to visit you in Patna and meet your students." He said, "You are most welcome to come visit." So, I took a trip to Patna. From California to Patna is a long trip, but we are applying the first model. We are not going to give up. I went and met him and he gave the same reply: "I am not interested." I even took some bribes for him. I took shirts for all the Super 30 kids with "Super 30" written on them. I gave a lot of gifts to all his students. He was very happy, but his answer was the same. So, then I went to the second point: we will go to model number 4. So now we are applying model 1 and model 4. And then we get model 5. Dakshana is actually all 5 models. If you look at model number 3, you guys were asking what is the benefit to you? It's the same thing: Dakshana is a business that is not focused on making money. We are a business focused on helping humanity. When you take these 5 models together, how can you fail? It's 11,111; 1+1+1+1+1 has become 11,111. It's too powerful, too deadly, and if you add a 6th, 7th, or 8th model, you just killed it. It would be so nice if this was part of the CBSE curriculum, but no one listens to me. Next question.

Pritam: Hello Mohnish, I am Pritam from Kolkata. My question to you is: if everyone copied your investing strategy perfectly, would you still make money?

Mohnish: One of the sub-models of 4 is 4.1: humans are not interested in cloning. So, when you say such a thing, it violates 4.1. There is a small percentage of humans—like me, or Sam Walton, or Bill Gates—who are interested in cloning and going all in, but most humans are not. The second problem is that even if they try to clone, they don't have the other models. *Aap ek model ko lekar kya karoge, humare paas to 30 hai* [What will you do with one model, we have 30]. We have 30, we have 40. When I combine 6 models, it's over 1 lakh; the 7th model is over 10 lakhs, 11 lakhs. The world can accommodate multiple people doing the same thing. I have given so many talks explaining how I do investing. Open book. *Sab kuch bata diya hai. Pata hai kyo bataya hai? Pata hai ki who follow nahi karenge. Koi chinta ki baat nahi hai. Saab kuch bata do, koi farak nahi padne wala hai* [I have told everything. Do you know why I told you? Because I know they won't follow. There is no need to worry. Tell them everything, it won't make a difference]. Humans have evolved over millions of years, and our brains are a mishmash of ancient and modern—it has created a lot of distortions. For example, let's talk about the model of reciprocity. I think if you go back to hunter-gatherer societies, a group of humans would bring down a large animal. There is no refrigeration, so if you don't consume the meat soon, it is going to spoil. So, what do they do? They invite the whole community and share the meat. They are storing their meat in the bellies of their neighbours. The person who receives this free gift says, "Ramu is a good person, he gave me free meat. Tomorrow, when I am successful, I will share with him."

The concept of reciprocity goes back tens of thousands of years. But there is a weirdness: reciprocity has no calibration engine. John did something great for me, but the person is not able to comprehend how big or small that favor was. There is no calibration, just the feeling of goodness. The fact that there is no calibration allows people like me to take advantage of the missing wiring in human brains. When

somebody approaches my company, Pabrai Funds, and says they want to invest, we send them a package of information. In the package, there is a very nice \$50 pen, a Cross pen, and a book. They didn't expect to get this. But when they get those things, the ancient brain is triggered: "Mohnish is a good person, he did me a favor." But Mohnish is playing games. If they want me to manage their money, they have to send \$10 million, about 90 crores. *To thik hai hum apko pen dete hai*, you're feeling good and you send the 90 crores and now everything is fine, it's balanced [So it's fine, we give you a pen, you feel good and you send the 90 crores, and now everything is fine, it's balanced]. Because there's no calibration engine. When you understand these mental models, you run circles around 99% of humans who are much smarter and harder working than you, because they don't understand the *fundas* [principles]. Do a small favor, and the big favor comes back. It's actually fun to play games with the screwed-up brains that humans have. Next question.

Anant: Hey Mohnish, I'm Anant from Surat, Gujarat. In one of your podcasts, you said that ideas are like assholes—everyone has one. So, my question is: how can one unlock the potential of their ideas and use them effectively?

Mohnish: Sorry to bring up such shoddy language at the Charles T. Munger Hall, but I did say in one of my talks that ideas are like assholes, everyone has one. And what I was trying to say with that statement is that humans think that they have to come up with some idea—something new, something different—and actually, you don't. Like I showed you with Super 30, what we did, etc., we didn't need to come up with anything. The important thing is not the idea. The important thing is Model number 1: take that idea and take it seriously.

So, the idea itself means nothing. Coming up with something, saying that, you know, I think this can be successful or that can be successful, and then just talking about it, it means nothing. Rolling your sleeves up, going all in, pushing hard—it doesn't even matter if the idea is new or not. It's the drive that will determine it, and basically, it has to be something that you are truly excited about. So, I don't really pay attention to someone who came up with an idea or something; that doesn't mean much. You know, like Thomas Edison, the great inventor, invented the light bulb. So, someone asked him, "How did you invent the light bulb?" because it's so revolutionary, right? He said, "I invented the light bulb after finding 1,000 ways how not to make a light bulb." So, he would try something, it would not work, then he would change one variable—not two variables, one variable—try it, it doesn't work, change another variable, and he's not willing to give up.

And so, he said that it's 99% perseverance and 1% kind of innovation, right? So, he's doggedly pursuing it. Elon Musk wants to land a rocket backwards back on Earth, right? Hasn't been done before, but he thought using a rocket one time and throwing it away is stupid. So, humans were for so many decades just throwing away the rockets—one-time use. It's like flying an airplane only one time. Like, just imagine that you get into an airplane, only use it once. It's ridiculous. That's what people were doing with rockets. He said, "No, we're going to keep reusing the rockets." So, he has brought down SpaceX's cost for doing a launch of a satellite to space to 90% lower than their competitors. It's like what Ambani did with Jio, because they are reusing all the things over and over, and the others are not reusing

them, so their costs are so high. So, the idea itself doesn't mean much. I think it's the execution and the dogged determination behind it. We can try one more question.

Sinchana: Hi Mohnish, I am Sinchana. I am from JNV Ramanagara, Karnataka, and my question to you is: while reaching the great heights in life, one faces many ups and downs and hardships. What are such instances from your life that you would like to narrate to the scholars to inspire them to keep going despite the setbacks?

Mohnish: Charlie Munger used to say that all of us are going to have reverses in life. It means we are going to have negative things happen to us. Negative things have happened to all of you already quite a bit, and in the future also, a lot of negative things will happen to you. So, the fact that negative things happen is just a normal part of human existence.

Charlie Munger, for example, had an 11-year-old son; his first son died of cancer—very painful for Charlie. Then I think when he was about 60 years old or so, he had a cataract operation, and the operation was botched, and he lost sight in one eye. And then I think not that far back, maybe around 10 years ago, he had some problem in the second eye—some optic nerve problem in the second eye—and the odds were very high that he was going to lose his sight in the second eye as well. It was becoming very difficult to read, so doctors didn't know whether he would actually be able to keep the sight in the second eye. And I met Charlie a few times when he was facing that issue. What Charlie loved more than anything else was reading. And so, if you were to take away his sight—you already only had one eye working—you take away the second eye, you have now taken away the one thing that he cared the most about. And what I saw in him was no panic, no regret, no problem. He said to me, "I may have to learn Braille." He was not concerned that he may lose sight completely. Most of the things I learned from Charlie were not lessons he was saying to me; it was observations I was making. So, I said that if this guy is not bothered about losing sight, which is the most important to him because reading is extremely important, then all these other things we face, you know, are not that relevant.

So, Dakshana scholars have had a lot of hardship in life. Even today, many of you currently are facing a lot of hardships in your family. I know, I know you have a lot of different burdens on your shoulders. You cannot let those burdens bring you down. What you have to understand is all humans have those burdens, at different points in time. It will happen to 100% of you in the past and in the future. So, I don't need to go through with you all the reverses I've had in my life. All I can say to you is that whenever I do face a reverse, I have a couple of mental models I think about, which is that the nature of life is that circumstances can change very quickly, so nothing is permanent. And a lot of things that could bring us down are in our control. So, we cannot control the events that take place.

So, this is a very important mental model. We cannot control the events that take place. We can control our reaction to the event. So, an example of that is Munger's reaction to losing the second eye. He cannot control whether he loses the second eye or not, but he can control his reaction. So, one of the models was a very important model for Charlie: the model of no self-pity. So, he didn't say, when he was going to lose his second eye, "Poor me, world is so unfair, why is this

happening to me?" Very stupid way to look at it. So, if you understand that you cannot have self-pity, no matter what happens, you cannot say "Why is this happening to me, why am I so unlucky, what is going on?" So, no matter what happens, you know, you fall sick on the day of the JEE paper, you're well prepared, you do terribly—all kinds of things happen in life. Charlie's answer to that was: soldier on, keep marching forward. *Agar kuch idhar udhar ho raha hai, koi badi baat nahi hai*, [If something is going wrong here or there, it's not a big deal], we just keep going. So, the mental model is no self-pity, and we keep marching.

So, like you're asking about the Dakshana team—do I care if there's some bad team member? We're going to keep marching. We're not going to stop because, "Oh, this has happened, or that has happened, and XYZ has happened." We're just going to keep going. And the world is a lot more malleable, so the world will adjust to you. And with that, we are 240 seconds over time, so thank you so much. It was a pleasure hanging out with you, and all the best for JEE 2026, and I hope you do well. All right. Okay. Well, it's nice to see our updated plaque of Mr. Munger with his 99 years, so that's wonderful. I had written a note to Charlie a few years before Munger Hall was built, and I asked him if we could name this facility Charles T. Munger Hall. So, his response to me was, "It's a strange idea and a strange request, but something good may come out of it, so go ahead." And so here we are. And now I get people from Bangalore living in the city, they say, "Is it true there's a Munger Hall in Bangalore?" I said, "Yes, it's true, but you cannot just visit, you need permission to visit." But you guys can hang out here every day, which is great. So great to see you.

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