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Mr. Rakesh Jhunjhunwala (RJ) is the richest trader & investor in India.

He's earned \$6,000M or ₹45,600CRS from his best bets.

THREAD: Jhunjhunwala's 6 best trades.

Collaborated with [@AdityaTodmal](#)



1. TATA TEA

In 1986, he bought 5,000 shares at Rs 43, which rose to Rs. 143 in a span of 3 months.

Made a neat Rs. 5lacs.

2. SESA GOA (now VEDANTA)

Initially bought at Rs 28, thereafter pyramiding at Rs 35.

The stock rallied to Rs 65 in a span of 4months.

By now he had made Rs. 25lacs.



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3. TATA POWER

Using the Rs. 25lacs,he bought TATA POWER at Rs. 150 and it rallied to Rs. 1000 thereby making a neat Rs. 2.5-3crs.



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4. 1989's budget was a game changer for RJ.

Prior to the budget the stocks had been hammered.

RJ's hunch was the upcoming budget wont be a disappointment & hence he staked Rs. 3crs. & made Rs. 20 crs. by the end of the budget.



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5. TITAN

In 2002-03, he bought Titan at an average price of Rs 3 and CMP is Rs 2703.

He is holding over 4.5 crore shares of Titan.

He has an overall holding of 5.1% in the company as of Dec 2021.

6. LUPIN

In 2006, he invested in LUPIN at an average purchase price of Rs. 150.

Today, LUPIN is trading at Rs 765.

PSU multi-baggers:

1. BEL: Bought at Rs. 18 and sold it at Rs. 1200 in 2007.
2. BEML: Bought at Rs. 30 and sold it at Rs. 1200.
3. SCI: Bought at Rs. 20 and sold it at Rs. 200.

Other multi-baggers: CRISIL, PRAJIND, AUROPHARMA, NCC, TATAMOTORS, DBREALTY, ANANTRAJ, APTECH etc.

In 2005-2006, RJ partially sold his shares of CRISIL to purchase a house worth Rs. 27 crs.

Today that house is worth Rs 45 crore.

If he hadn't sold his shares of CRISIL, it would have been Rs 1,000 crore.

However RJ accepts that human psyche when it comes to owning a house.

RJ's current portfolio :

For more details: <https://t.co/f6oFooZy5b>

STOCK	HOLDING VALUE (RS.)	QTY HELD	DEC 2021 CHANGE %	DEC 2021 HOLDING %
Titan Company Ltd.	12,231.3 Cr	45,250,970	0.2%	5.1%
Star Health and Allied Insurance Company Ltd.	6,428.6 Cr	100,753,935	NEW	17.5%
Metro Brands Ltd.	2,244.1 Cr	39,153,600	NEW	14.4%
Tata Motors Ltd.	1,702.7 Cr	39,250,000	0.1%	1.2%
Escorts Ltd.	1,176 Cr	6,400,000	0.5%	5.2%
Crisil Ltd.	1,149.4 Cr	4,000,000	0.0%	5.5%
Fortis Healthcare Ltd.	813.0 Cr	31,950,000	0%	4.2%
Federal Bank Ltd.	742.4 Cr	75,721,060	0%	3.7%
Canara Bank	657.7 Cr	29,097,400	0%	1.6%
Indian Hotels Company Ltd.	595.6 Cr	28,566,965	0.1%	2.2%
Nazara Technologies Ltd.	588.3 Cr	3,294,310	-0.7%	10.1%

RJ has said that he has made the bulk of his wealth by trading and not through long-term investing.

Infact, 80:20 rule applies here, 80% of the wealth is created by only 20% of the stocks in the portfolio.

RJ has always taken concentrated bets.



RJ believes in Trade & Invest Philosophy:

Trade is for creating capital, investing is for growing that capital.

In trading risk is extreme as compared to investing.

Most people think they are an investor however their mind is of a trader.

Trading is : De Fatafat & Le Fatafat

Few trading principles laid down by RJ:

1. Vadhare vadhare levanu, ghatare ghatare bechvanu.

Translated to: Buy when price is rising, sell when it is falling.



2. He practices pyramiding: After buying a stock if it goes up, it simply means the bet on the stock is right and hence he'll start pyramiding.
3. He doesn't believe in averaging his trading bets.
4. Know what to risk & know when to take loss.
5. Make a mistake that you can afford, so that you may live to make another one (Live to fight another day).
6. Know the trend, you can never know the depth (i.e. don't set the targets, no one knows how far will it go).
7. Markets are always RIGHT.
8. It's not so easy to make money in the markets, and it's more difficult to retain it.
9. Trading/Investing Tips are very injurious to financial health.

Thoughts on Leverage:

- Done in a measured manner they are a pleasure, if overdone they are problems
- One has to be emotion-less while using leverage
- There are moments where one should leverage and equally imp to know where one should abstain from using leverage



When it comes to investing:

1. Look at a combination of financials and management quality.
2. Understand the business model.
3. Understand the reasons for creating profits.
4. Galle mein kitna paisa hai: Cash flow of the company.
5. What are the entry barriers?
6. How will the company manage to make profits during challenging times.
7. Assess whether the attitude of the management has changed, as that could be a real game changer.



8. Patience will be tested, but your conviction will be rewarded.

9. Do not have unrealistic expectations from the market, it is not a Mahalaxmi Racecourse.

"If I get 18% p.a. from investing I am a King, if I get 22-24%, I am an Emperor".



Big money is made during big trends.

He had made huge money in spurts viz. year 1989-92, 2003-07, 2009-11 etc.

Conclusion: Strike, when the iron is hot!

If one does not have the financial expertise to understand and invest in business, simply invest in mutual funds where a professional money manager will take care of your funds.

Source: Various articles and videos on youtube

Link for the videos which are used here as snippets:

1. <https://t.co/nVhVOHoyZd>

2. <https://t.co/b5X32AINrr>

3. <https://t.co/CFPuDEaAan>

Mr. Jhunjhunwala believes there is no end to learning:

"The quest to learn is a journey & not a destination"

Hope you discovered something new (because that's the point!)

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