
**MADHUSUDAN
KELA**

46CHIEF INVESTMENT STRATEGIST,
Reliance Capital

MADHUSUDAN KELA MADE A name for himself in the midcap space in 2005 when he was a fund manager with Reliance Mutual Fund. At the time, he invested in small- and mid-cap companies that were primed for high growth. He invested in the likes of BEML, Kirloskar Brothers and Jaiprakash Associates. They were all multi-baggers with attractive valuations and a potential for huge returns.

Kela feels that investors need to first identify companies that have excellent managements in favourable sectors. In 2005, the macroeconomic conditions were favourable as inflation and interest rates were low, he says. Then in 2009, he began focusing on the pharmaceutical sector, and took disproportionately large bets. He believed that there could be a meaningful medium-term opportunity at hand. He was right.

It isn't easy pinning down Kela's investment philosophy. **"You need to be in control of your emotions when you are doing long-term investments. The rest of it can be learnt from many different places,"** he says.

Kela credits investor Rakesh Jhunjhunwala for shaping his investment acumen, and is inspired by investment guru George Soros. "I was also influenced by Peter Bregman's book, *18 Minutes*. It provides actionable insights to improve efficiency in different aspects of your life," he says.

He advises investors to have a proper asset allocation plan for the long term. **"Volatility can be your friend. It provides an opportunity to build positions in otherwise great companies. Lastly, identify good asset managers and invest through them as this is their full-time job."**

-SALIL PANCHAL

