

Media Release

Diwali Bonanza for Kotak PMS' Pharma & Healthcare Portfolio Investors

**Kotak AMC's Pharma Portfolio Outperforms Benchmark Nifty in 1-3 Year Period
*Delivers a 42.3% Return over a One Year Period***

Mumbai, 13th November, 2020: Kotak Mahindra Asset Management Company Limited's (KMAMC) Portfolio Management Service division (Kotak PMS), today announced that it will share profits with investors generated from the Kotak Pharma and Healthcare (Kotak Pharma) portfolio. Pharma and healthcare stocks have become market darlings. This has been driven by market expectations of a likely shift in global Pharma supply chains away from China and toward India. Kotak Pharma and healthcare portfolio has been a direct beneficiary of this trend.

Kotak Pharma & Healthcare portfolio has registered 13% returns over the past three years as compared to 4.8% returns by Nifty Pharma and 4% by Nifty 50 index. Since 20th September, 2016 – the inception date, the portfolio has generated returns of 9.2% as compared to 7% rise in Nifty 50 and negative (1.1%) growth by Nifty Pharma.

As on 30th October, 2020, Kotak Pharma & Healthcare strategy has delivered 42.3% returns (net of all fees), over a one year period, effectively, outperforming the benchmark Nifty 50 by a wide margin, which has posted negative (-2%) returns during the same period. The Nifty Pharma index performance is largely in-line, clocking a return of 42.7%.

Anshul Saigal, Portfolio Manager & Head - PMS, Kotak Mahindra Asset Management Company said, "We are delighted to announce a Diwali bonanza to our PMS investors. Kotak Pharma & Healthcare PMS has outperformed on all relevant benchmarks by a handsome margin over the complete investment cycle (3-5 years). We cherry-picked stocks backed by strong fundamentals, and invested at a time when the pharma was out of favour. Patience is indeed a virtue and it has helped us create wealth for our PMS investors."

"An investment of Rupees one crore four years ago is about Rs 1.44 crore today (31st October, 2020). While the same invested in Nifty would have become about Rs 1.32 crore and in Nifty Pharma about Rs 96 lakh during the same period", added Anshul.

Investors have the option of deploying profits in whole or in part in the Kotak's Fin Tech portfolio or even continue to stay invested i.e. retain profits in the Pharma & Healthcare portfolio to capture future potential upside.

Investments in the pharma and healthcare sector is often a defensive bet. The novel coronavirus pandemic (COVID-19) has turned the tables for the pharma and healthcare industry. This sector could see the start of a multi-year growth cycle. Analysts, market participants and sector experts are estimating a double-digit demand growth in domestic markets. The strong R&D capabilities with large global capacities could also provide an opportunity for domestic pharma companies to boost market share, which could translate into stronger returns for investors in the coming years.

About Kotak Portfolio Management Services

Kotak PMS (registered under SEBI), one of the largest Portfolio Management Service providers in India operates under the auspices of Kotak Mahindra Asset Management Company Limited (KMAMC) - a subsidiary of Kotak Mahindra Bank Ltd.

For more information, please visit the company's website at <https://www.kotakpms.com>

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