

AS INDIA GETS HEALTHIER,
YOU CAN GET WEALTHIER

PRESENTING BAJAJ FINSERV HEALTHCARE FUND

An open ended equity scheme following pharma,
healthcare and allied theme

May 2025



Evolution of Healthcare in India



History and Evolution of Healthcare in India

Ancient roots of healthcare

Ayurveda (5,000+ years old)

- Holistic health: balance body, mind, spirit
- Prevention via diet, lifestyle, natural remedies
- Uses herbs, yoga, meditation for treatment



Sushruta Samhita (6th Century BCE)

- Sushruta's foundational surgical text
- Advanced procedures: rhinoplasty, cataract removal, fracture management
- Influenced modern surgical techniques



Introduction of Western Medicine

Introduction of Western Medicine (1835)

- Calcutta Medical College: Asia's first medical college
- Introduced structured Western medical education



Advances in Tropical Medicine

- Early research on tropical diseases
- Positioned India as a leader in tropical medicine



Public Health Reforms

- Initiatives like Smallpox vaccinations and modern sanitation
- Major improvements in public health



Fusion of Tradition and Modern Medicine

Healthcare Infrastructure

- Establishment of AIIMS and expansion of public hospitals
- Development of rural Primary Health Centers (PHCs) and national disease programs
- Ayushman Bharat enables affordable healthcare access
- Ministry of AYUSH (2014) promotes integrating traditional and modern healthcare

PHC: Primary Health Centers



The Healthcare and Wellness Boom

- Growth of holistic wellness (Ayurveda, Yoga, Naturopathy)
- Growth of super-specialty hospitals, corporate healthcare chains, and wellness resorts
- India a global hub for medical tourism and wellness retreats



How COVID 19 changed the Indian Healthcare sector?



Hospitals

Private healthcare surged, hospitals grow from \$62B (2020) to \$132B (2023)



Pharmaceuticals

India emerged as global vaccine hub via Serum Institute, Bharat Biotech



Diagnostics

Digital diagnostics, home testing kits accelerated post-pandemic



Personalized Nutrition & Functional Foods

Functional foods market to hit \$12B by 2027, growing at 16% CAGR



Fitness & Wellness

Fitness industry to grow at 27% CAGR, reaching \$12B by 2025

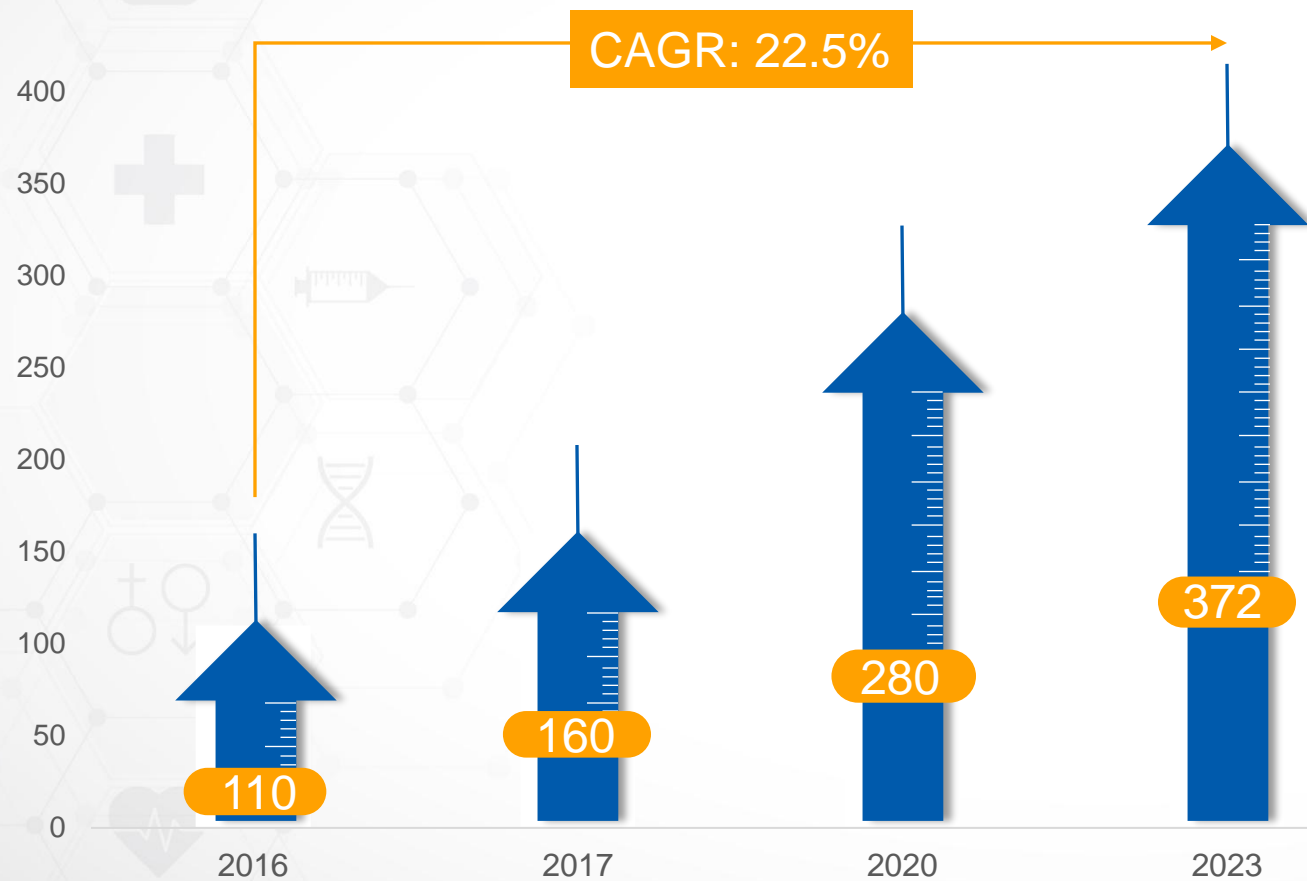


Source: ResearchAndMarkets, RedSeer, Invest India, Frost & Sullivan, Deloitte, Statista, Modor Intelligence, KPMG India



The Indian healthcare sector is growing rapidly

Health Sector Growth Trend (US\$ billion)



Indian healthcare market: **17.5% CAGR** in 10 years

Valued at \$110 billion (2016), projected to reach **\$638 billion** By 2025

Source: IBEF

Growth Drivers of the Indian Healthcare sector

Evolving Demographics

Increasing Expenditure

Improving Infrastructure

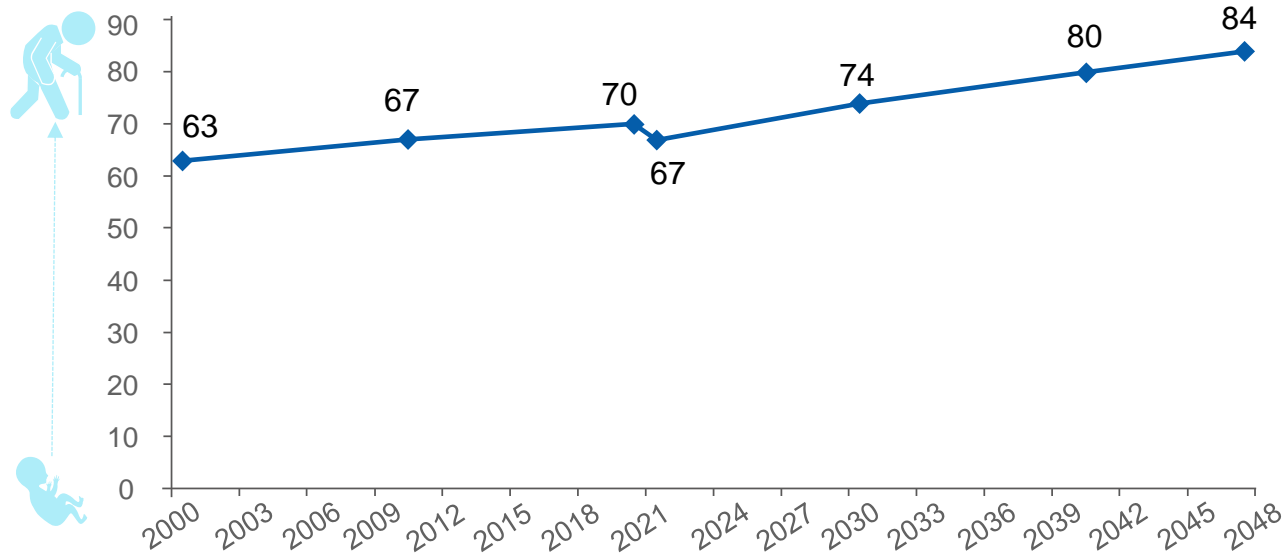
Insurance Coverage



Evolving demographics in India

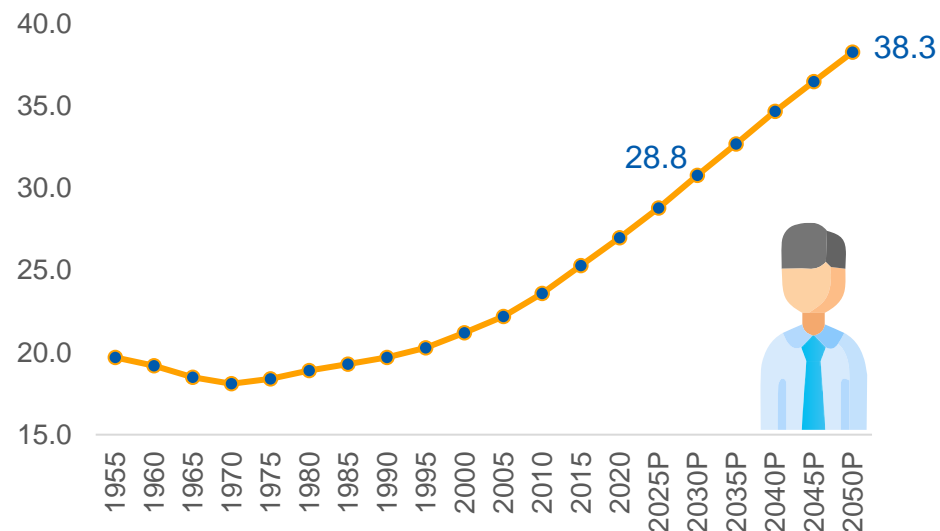
Life expectancy increasing steadily

Life expectancy at birth, total (years) of India



Median Age expected to increase by 1.3X (2025-2050)

Median Age in India (in years)



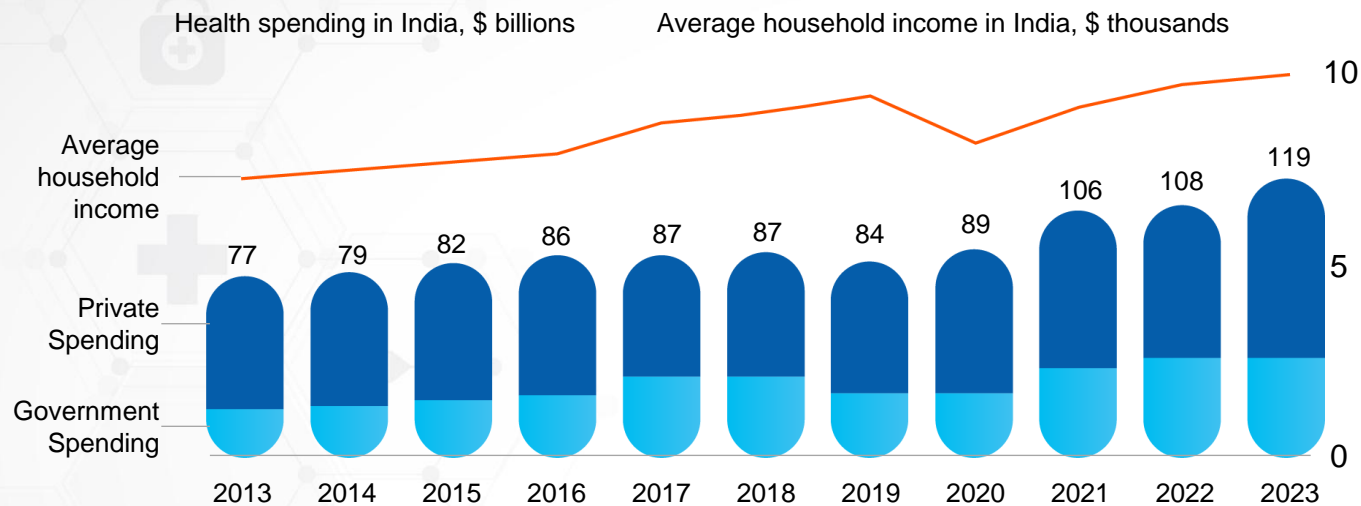
- Life expectancy growth fuels healthcare sector
- Aging population boosts demand for age-related healthcare services

Source: PHD Research Bureau projections for the years 2030, 2040 and 2047 | Worldometer



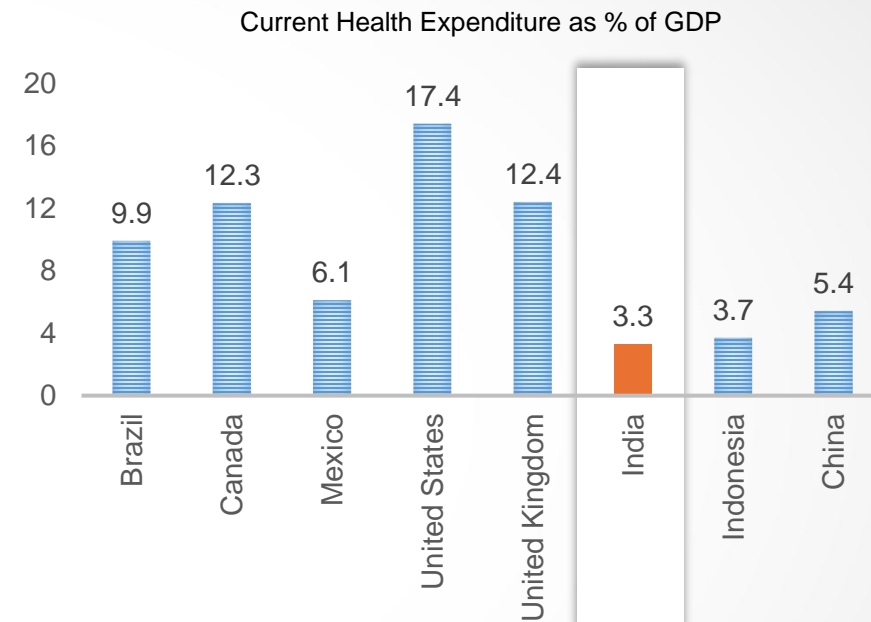
Increasing expenditure on healthcare

Private healthcare spending more than government



Source: S&P Household Income Projections; Fitch Solutions Health Expenditure

India spends less on health than other EMs & DMs



Source: WHO, Data as of 2021
EM – Emerging Economy, DM – Developed Economy

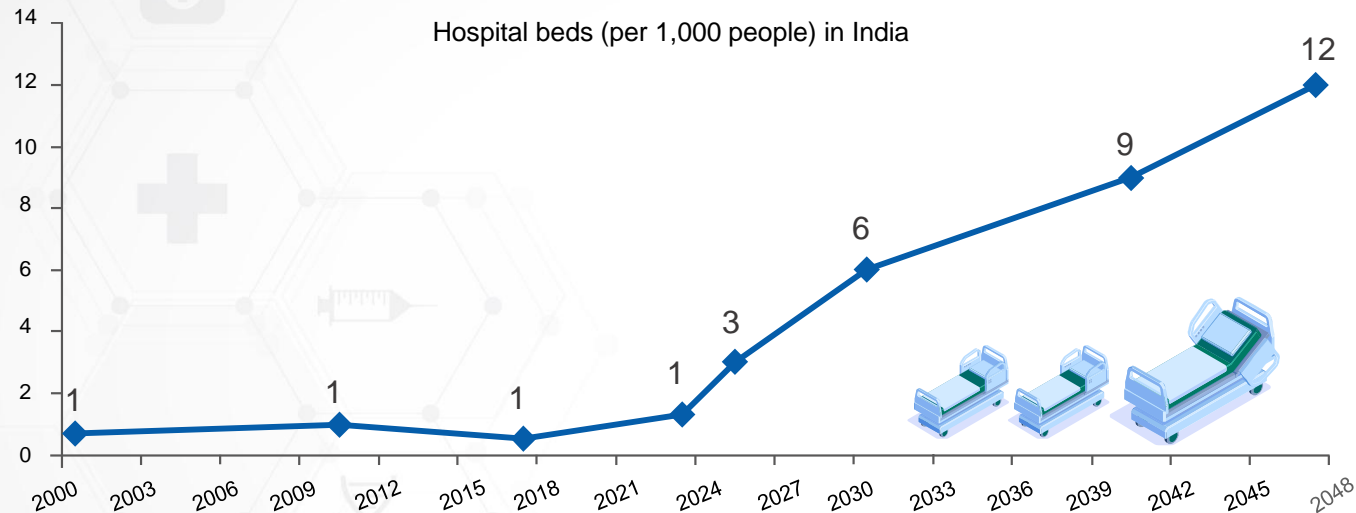
- Govt healthcare spending boosts pharma, services
- Higher incomes drive personal healthcare investment
- There is scope for significant growth in healthcare expenditure in India compared to other major economies





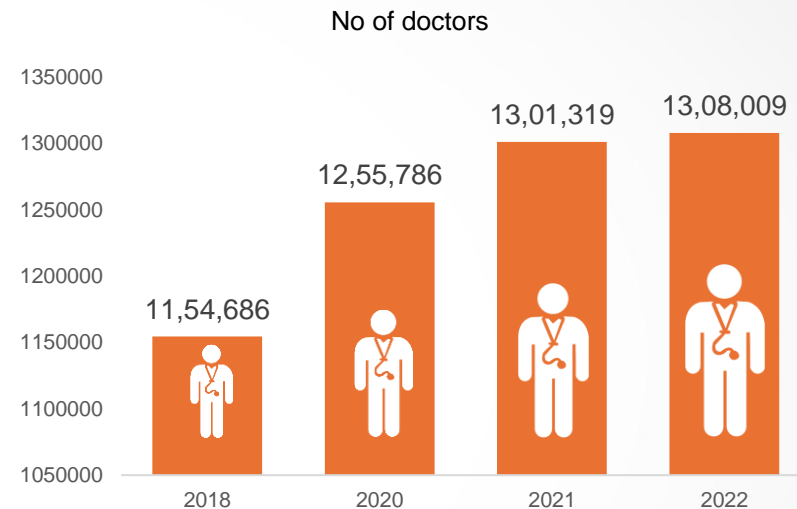
Improving healthcare infrastructure in India....

Hospital beds expected to increase 12X by 2048



Source: PHD Research Bureau projections for the years 2030, 2040 and 2047

Number of Doctors increased 1.1X in 4 years



Source: IBEF

- Medical education in India expanded, no of medical colleges increased by 1.8X to 758 in FY 24 (in 8 years)
- Rising investments in Tier 2-6 cities for multispecialty hospitals, diagnostics, specialty clinics



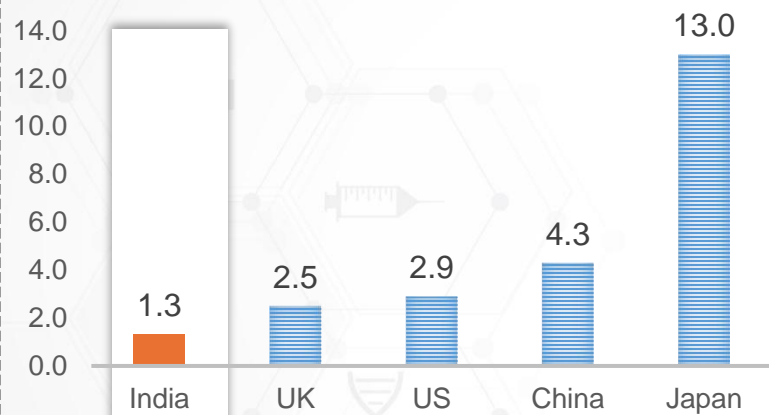


..... but has a long runway for growth



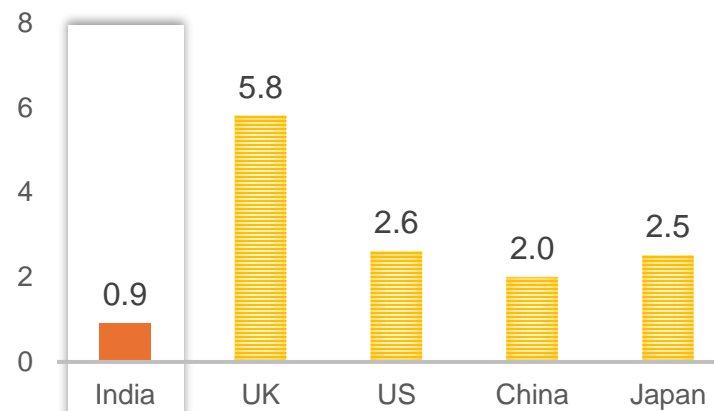
Beds in India much less than major economies

Hospital Beds per 1000 people



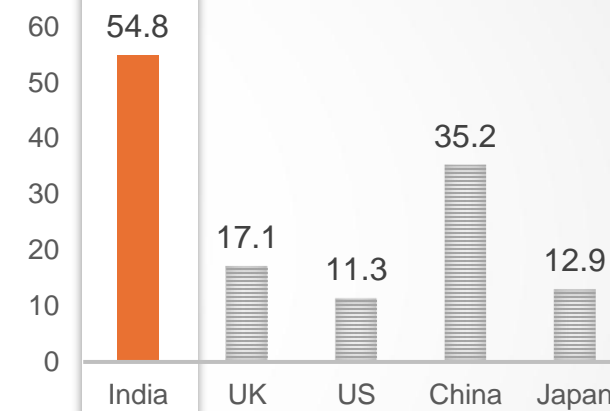
No. of doctors in India inadequate to meet rising demands

Doctors per 1000 people



High Out of pocket expenditure in India

Out of pocket expenditure (% of current healthcare expenditure)



- 3 mn beds needed to reach 3 per 1,000 target by 2025
- 1.54 mn doctors, 2.4 mn nurses required to meet demand
- Health insurance underpenetrated in India, leading to high out of pocket expenditure

Source: HFS Research, Data as on 2024



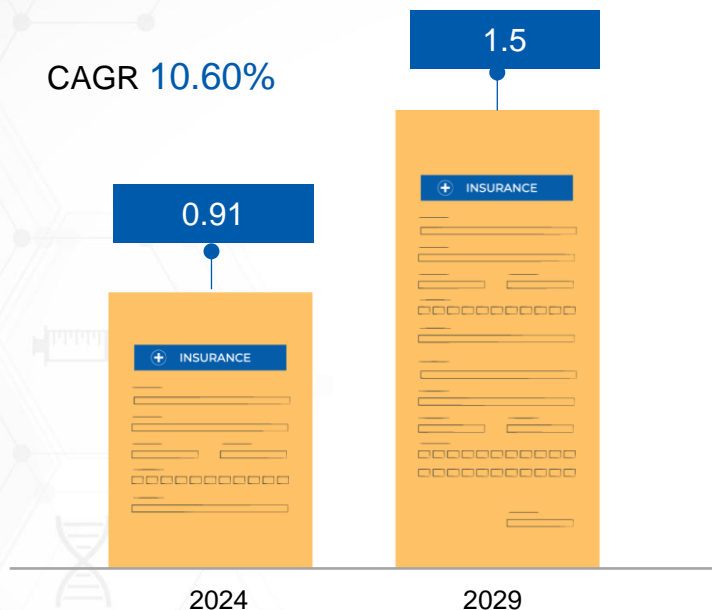


Health insurance coverage increasing among Indians

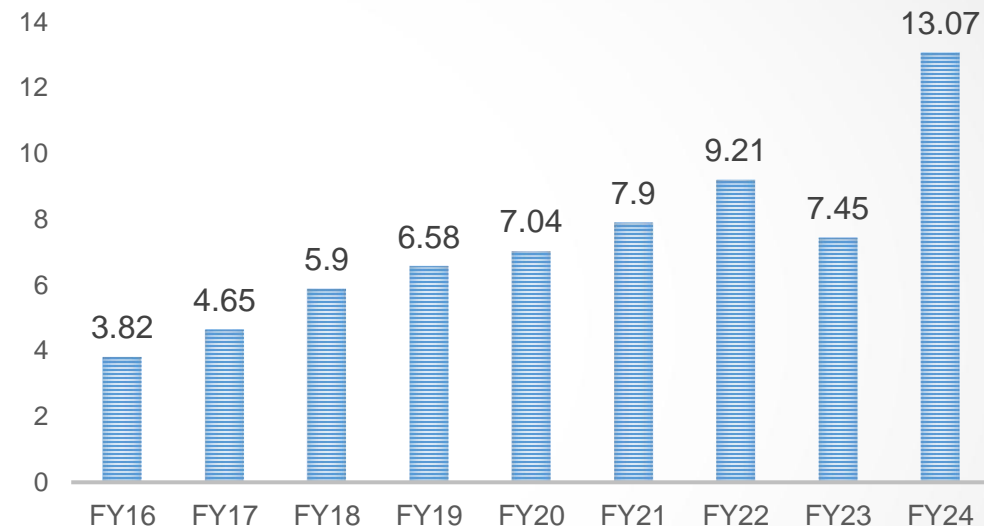


India health and Medical Insurance Market Size (INR trillion)

CAGR 10.60%



Health Insurance Premium Collection (US\$ billion)



- **37.62%** of total gross premium in India is from health insurance
- Health insurance market increasing but still underpenetrated
- Rising coverage boosts access to quality treatment

Source: Mordor Intelligence | IBEF



Opportunities in the Indian Healthcare sector

Pharma

CRAMS

Hospitals & Diagnostics

Medical Tourism

Diverse opportunities within the Sector



Pharmaceuticals

India major global supplier, producing affordable generic drugs and vaccines

Example of Indian Players

Sun Pharma, Cipla, Lupin, Zydus Lifesciences



Hospitals & Healthcare Facilities

Leading global medical tourism hub due to affordable and quality care

Example of Indian Players

Apollo, Fortis, Max Healthcare, Healthcare Global Enterprise



Health Insurance

Growing penetration with government schemes like Ayushman Bharat and rising private sector involvement

Example of Indian Players

ICICI Lombard, New India Assurance, HDFC Ergo, SBI General Insurance



Nutraceuticals & Dietary Supplements

Rising demand for herbal and Ayurvedic products driven by health-conscious consumers

Example of Indian Players

HUL, Zydus Wellness, Glenmark Pharma



Diagnostic Laboratories

Increasing demand due to advanced diagnostics and preventive health check-ups

Example of Indian Players

Dr. Lal PathLabs, Metropolis, Thyrocare, Vijaya Diagnostic



CRAMS

India global leader in contract research and manufacturing (CRAMS) for international pharma companies

Example of Indian Players

Divi's Laboratories, Piramal Pharma, Syngene, Jubilant Life Sciences



Medical Equipment

Increasing local manufacturing, supported by initiatives like "Make in India"

Example of Indian Players

Poly Medicure



Ayurvedic and Traditional Medicines

Strong demand for Ayurvedic products, supported by India's traditional healthcare heritage

Example of Indian Players

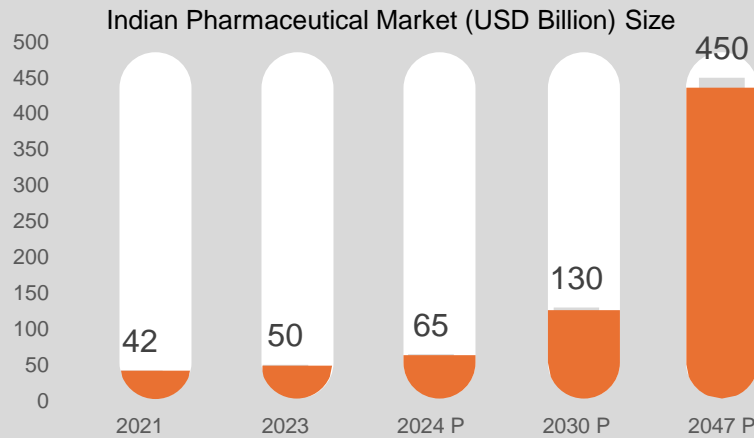
Dabur, Patanjali Foods, Emami

This slide is used for illustrative purposes to mention the various Indian players which are present in healthcare related industries. There might be other companies apart from the ones mentioned in this slide in the mentioned industries. These stocks may/may not form part of the portfolio and investors are advised to consult with their financial advisors before investing.

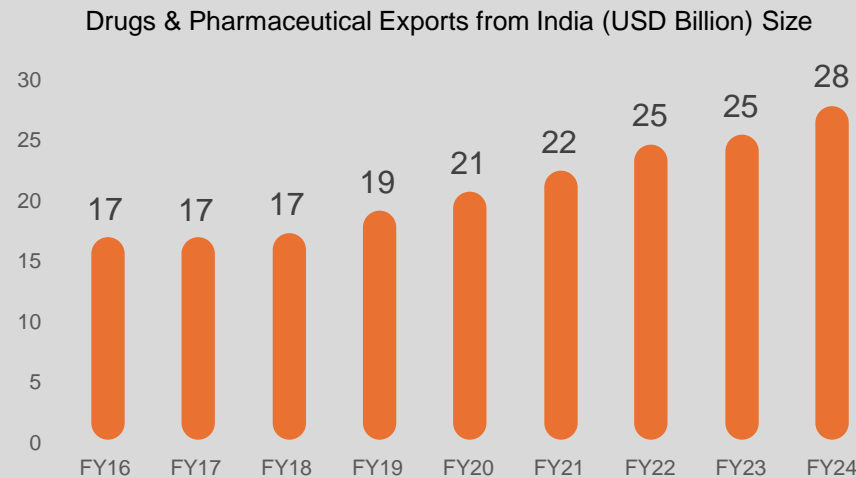


Indian Pharma industry is booming

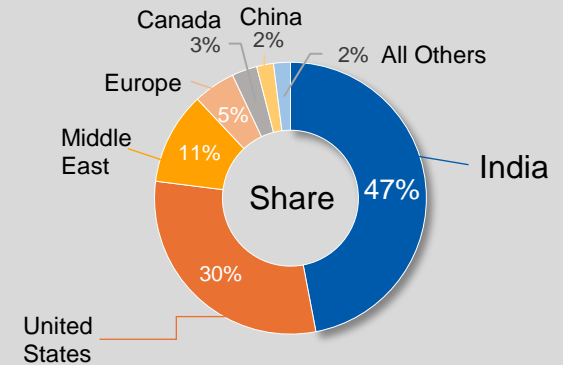
Indian Pharma Market to grow by 9X (2023-2047)



Drugs & Pharma Exports rising steadily



India highest market share of generics in US

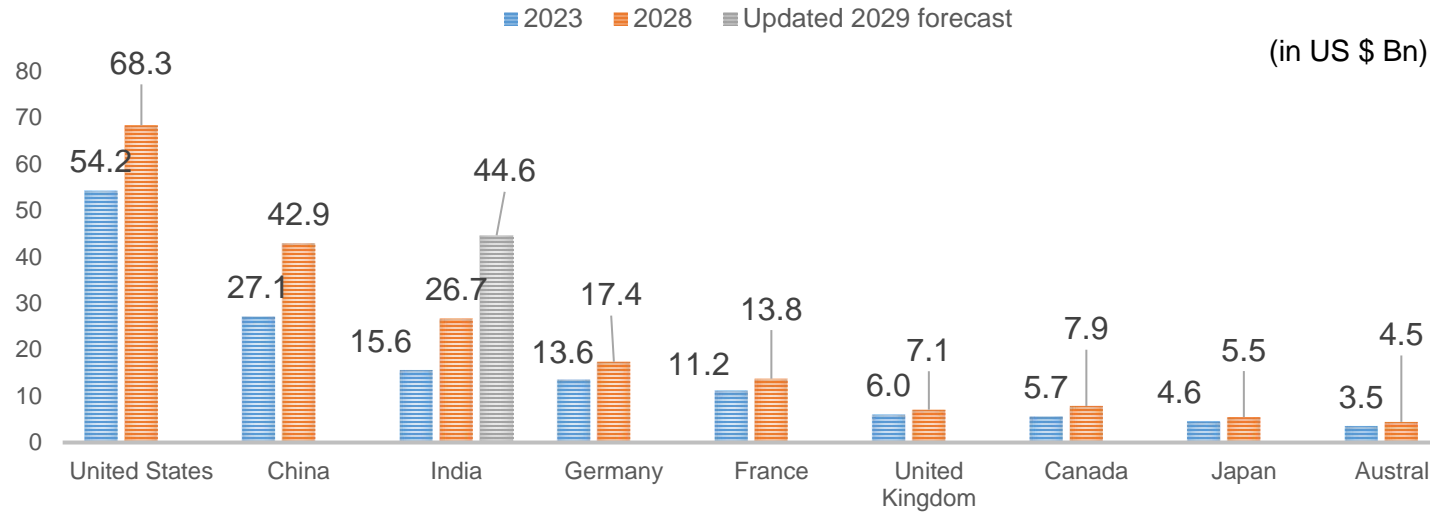


- Indian pharma industry ranks 3rd in volume, 14th in value globally
- PLI scheme launched, Rs. 6,940 crore budget (FY21-FY30) to boost domestic manufacturing
- India contributes ~20% of global generic exports, most US FDA-approved plants outside the US

Source: IBEF Data as of FY 2024 P - Projected

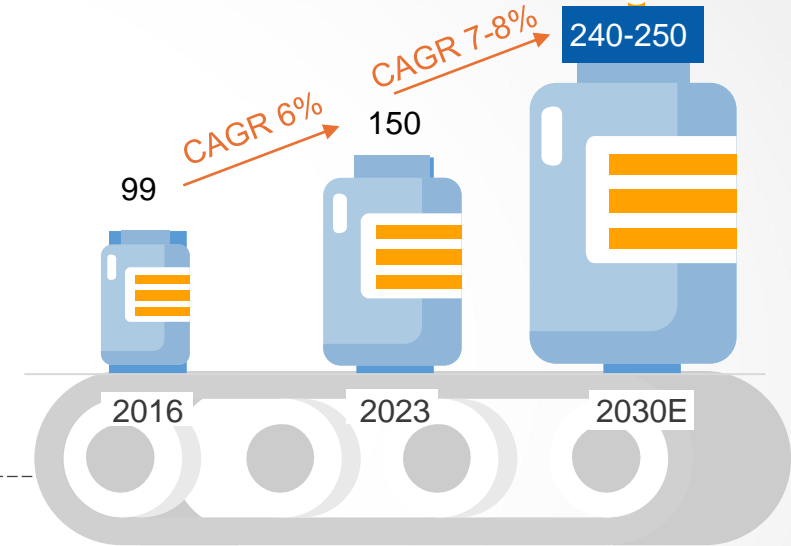
Robust Growth in the CRAMS Segment

CDMO Market Forecast by Country



Global CDMO Market

(in US \$ Bn)



- Indian CDMO market: \$22.51 bn (2024) to \$44.6 bn by 2029, CAGR 14.7%
- Indian CRO segment: \$2.5 bn by 2030, CAGR 10.75% from 2024 to 2030
- CRO growth driven by rising demand for biosecurity services
- Biosecure Act 2024 to double contract manufacturing in India



Source: News Articles - Business Line, Financial Express, Piramal reports

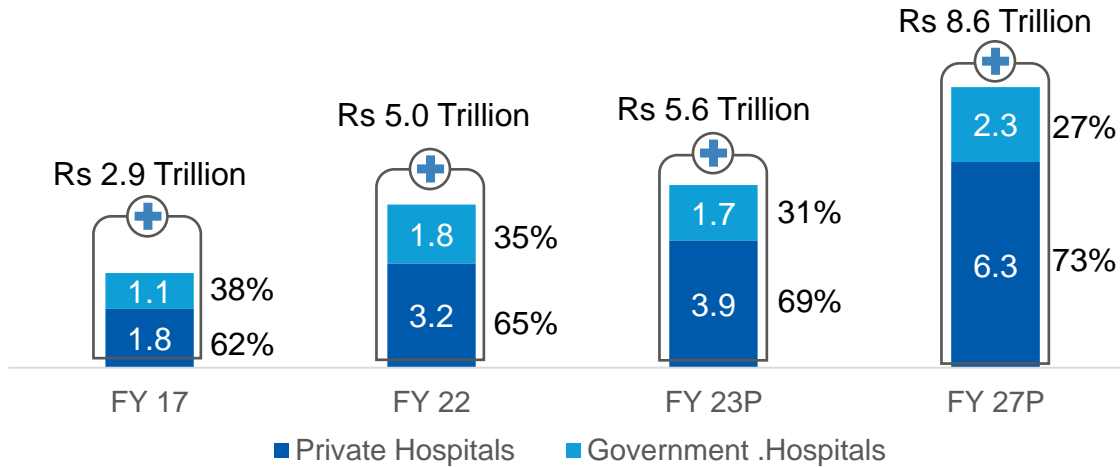
CRAMS – Contract Research and Manufacturing Services, CDMO – Contract Development and Manufacturing Organisation, CRO – Contract Research Organisation





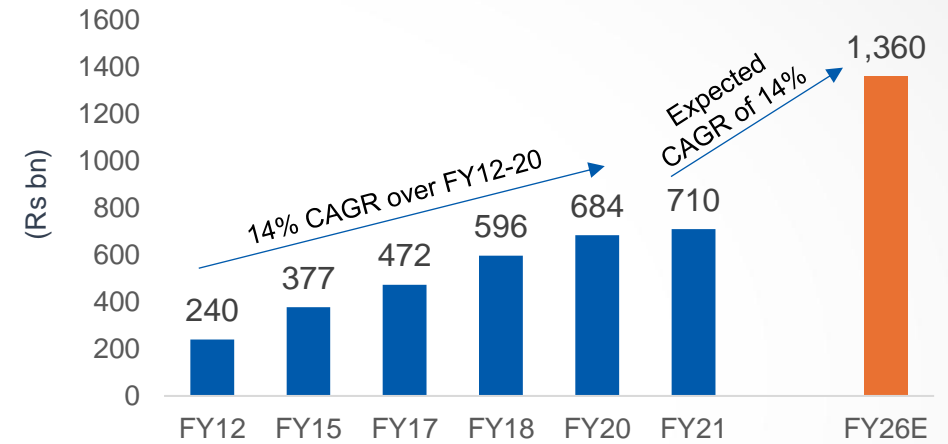
Hospitals & Diagnostics set to grow steadily

Share of treatments in value terms (Government Hospitals + Private Hospitals)



Source: CRISIL MI&A Research; P : Projected

India diagnostics market to see steady growth



Source: Vijaya Diagnostic RHP from FY12-20, Dr Lal Path AR 2022, Industry data for FY21-26E

- India's hospital market: US\$ 193.59 bn by 2032, CAGR 8% (2024-2032)
- Private hospitals: ~60% of market by value
- Medical tourism and insurance to boost bed use, ARPOBs

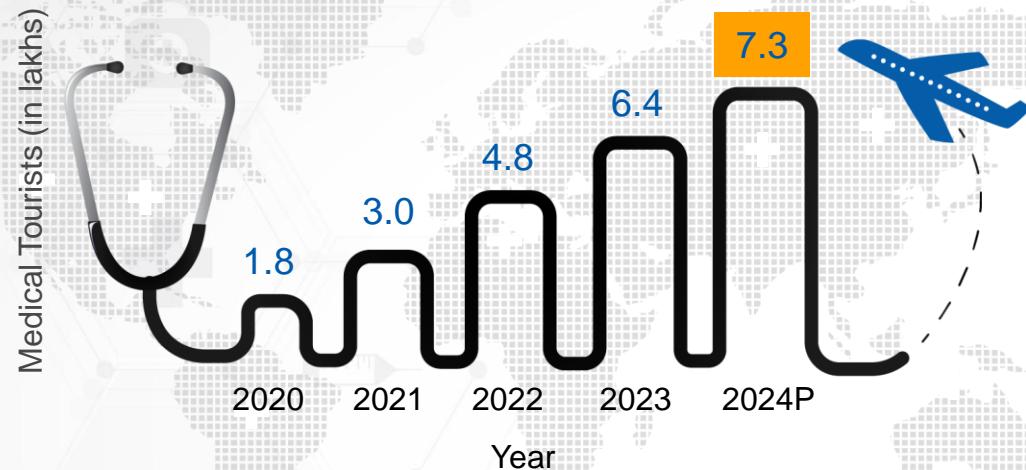
- Diagnostics industry to see steady growth
- **Growth drivers:** healthcare spending, rise in non-communicable diseases, aging population

Source: Axis Capital, Company reports, IBEF E – Estimate, ARPOB – Average revenue per occupied bed



Medical Tourism growth to exceed pre-pandemic levels

Medical tourists to grow by 4X (2020-2024)



India offers one of the lowest cost of major surgeries

Procedures	US (\$)	Korea (\$)	Malaysia (\$)	India (\$)
Heart Bypass	1,44,000	28,900	11,430	5,200
Angioplasty	57,000	15,200	5,430	3,300
Heart Valve Replacement	1,70,000	43,500	10,580	5,500
Hip Replacement	50,000	14,120	7,500	7,000
Knee Replacement	50,000	19,800	7,000	6,200
Dental Implant	2,800	4,200	345	1,000
Lasik	4,400	6,000	477	500

Medical tourism contributes ~10-12% of revenue

Expected to grow at ~**2X** the overall rate in the near to medium term

Indian medical tourism market: \$7.69B in 2024, \$14.31B by 2029.

India attracts tourists due to top healthcare, skilled experts, cost-effective treatments

Major surgeries in India cost about **20%** of those in developed countries.

Source: CRISIL Research, data.gov.in, Indiaprofile, IBEF P - Projection

Riding the Wellness wave

From curative to preventive and mindfulness....



The Wellness Wave

Indians Embrace Preventive Health Products



Indians experiencing more lifestyle diseases



India to have 134 mn diabetics by 2045.



Non-communicable diseases (NCDs) account for ~63% of all deaths in India.



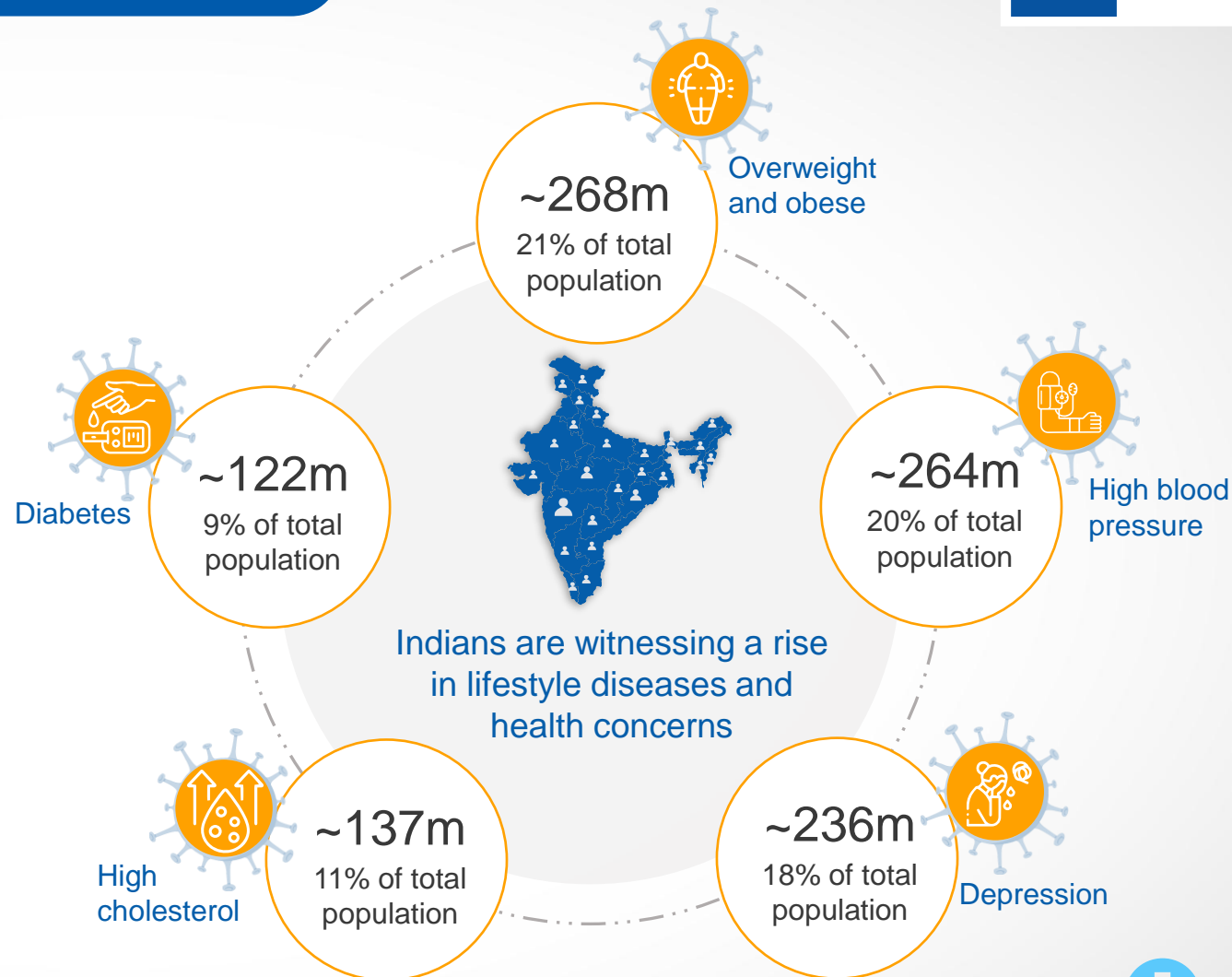
Obesity to affect >5% of adult population by 2025.



1.7 million deaths in India (18% of total) linked to air pollution.



Contaminated water sources causing gastrointestinal diseases, hepatitis, etc.

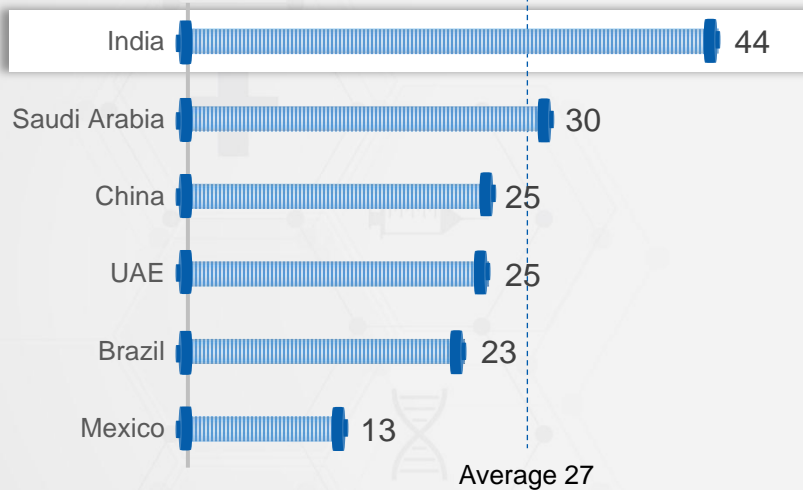


Source: Nuvama, Ministry of Science & Technology India reports, News articles – Livemint/ The Hindu, UNDP | NCD – Non communicable diseases | Fit India Report 2020, NFHS 5 2019-20, EY Analysis

Growing Trends in wellness among Indians

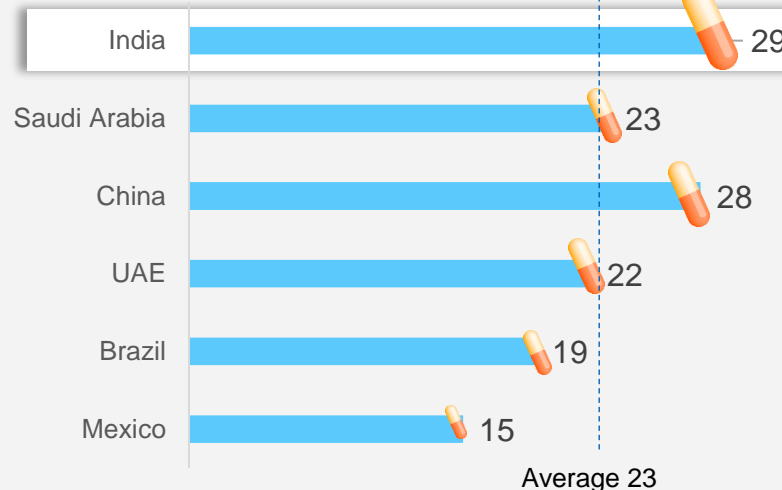
% of Consumers Intending to spend more on fitness and wellness

Emerging Markets



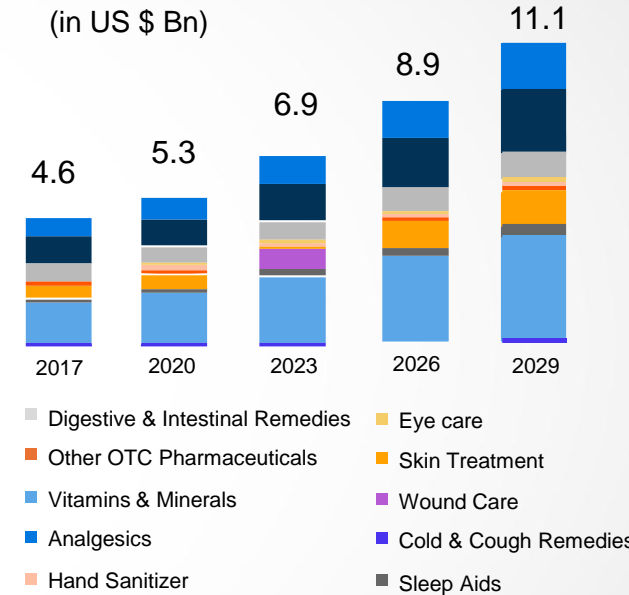
% of Consumers intending to spend more on vitamins, supplements and over-the-counter (OTC) items

Emerging Markets



India OTC Market to Grow at 8% CAGR

(in US \$ Bn)



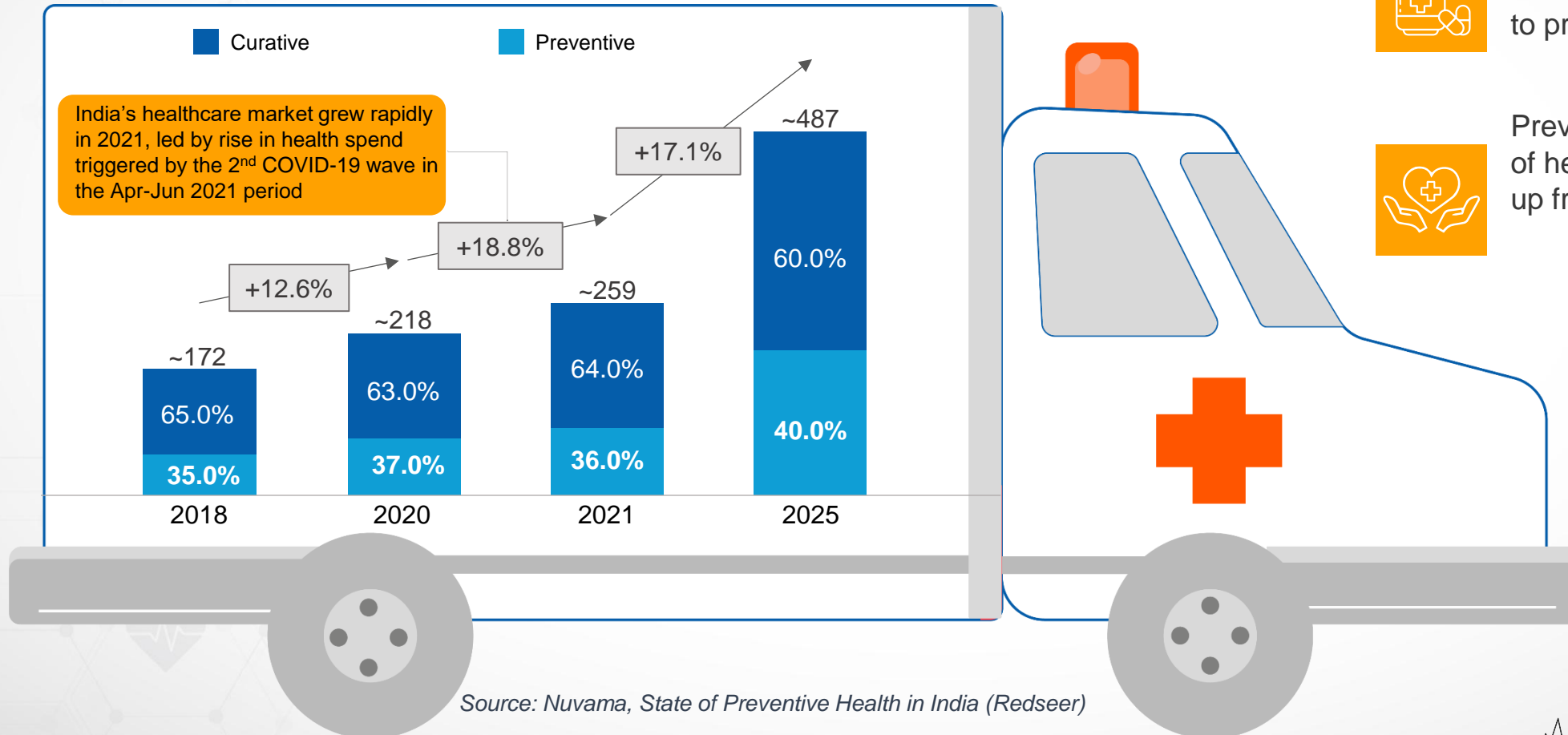
- Indian consumers lead in fitness and wellness spending among emerging markets.
- Indian consumers 2-3X more likely to increase spending in wellness than Canada, U.S.
- Growth driven by rising income, urbanization, and preventive healthcare awareness.
- Indian OTC market seeing steady growth.

Source: McKinsey, Piramal report Data as of 2024

Focus on preventive care rising

Spending on Preventive Healthcare rising

Indian Healthcare Spend in \$ Bn (Private + Government)



Curative healthcare remains heavily strained; focus shifting to preventive healthcare



Preventive healthcare: 40% of healthcare spends by 2025, up from 36% in 2021.





Healthcare Boom: In summary

Indian Healthcare sector projected to reach **\$638 bn** by 2025 from \$372 bn in 2023



Health insurance segment to grow CAGR **10.60%** to **Rs. 1.5 tn** by 2029



India's pharma industry contributing **~20%** of global generic drug exports



India's CRAMS segment to grow **2X** due to Biosecure Act 2024



Medical Tourism to grow **~2X** by 2029



Health & wellness market to grow at **15-20% CAGR**, with focus on healthy living

Source: CRISIL Research, Indiaprofile, IBEF, News Articles - Business Line, Financial Express, Piramal reports

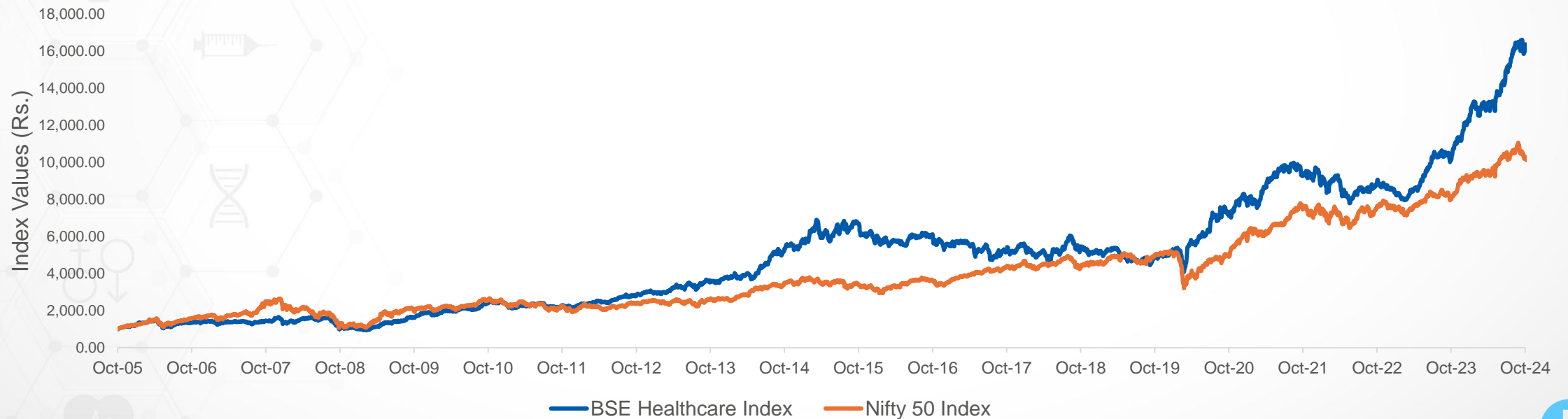


Why invest in Healthcare NOW?



Healthcare sector outperforms broader market

Period	BSE Healthcare Index	Nifty 50 Index	Alpha
1 Year	60.82%	26.78%	34.04%
3 Years	20.55%	11.03%	9.52%
5 Years	27.09%	15.28%	11.80%
7 Years	17.39%	12.92%	4.48%
10 Years	11.82%	11.26%	0.56%

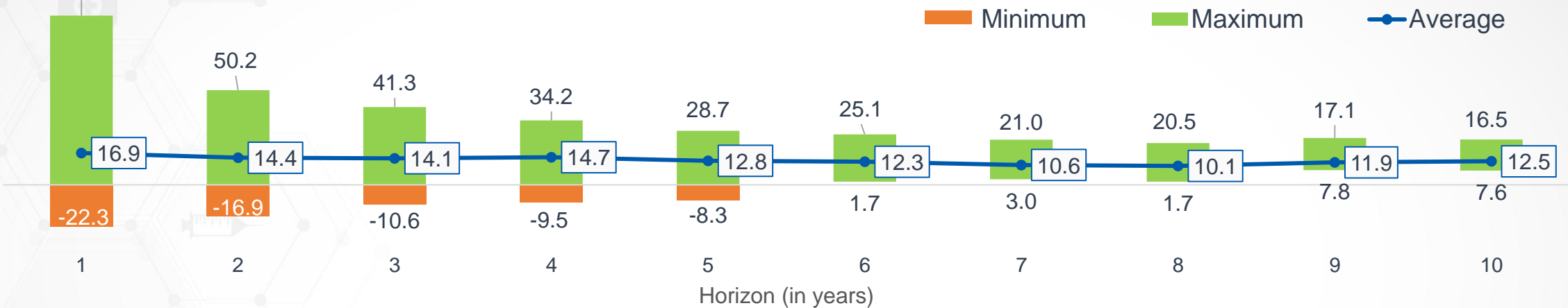


Source: ICRA MFI Explorer. Past performance may or may not be sustained in future
Data as on Oct 31, 2024



Steady returns in the long term

Rolling Returns for 15 years (%)



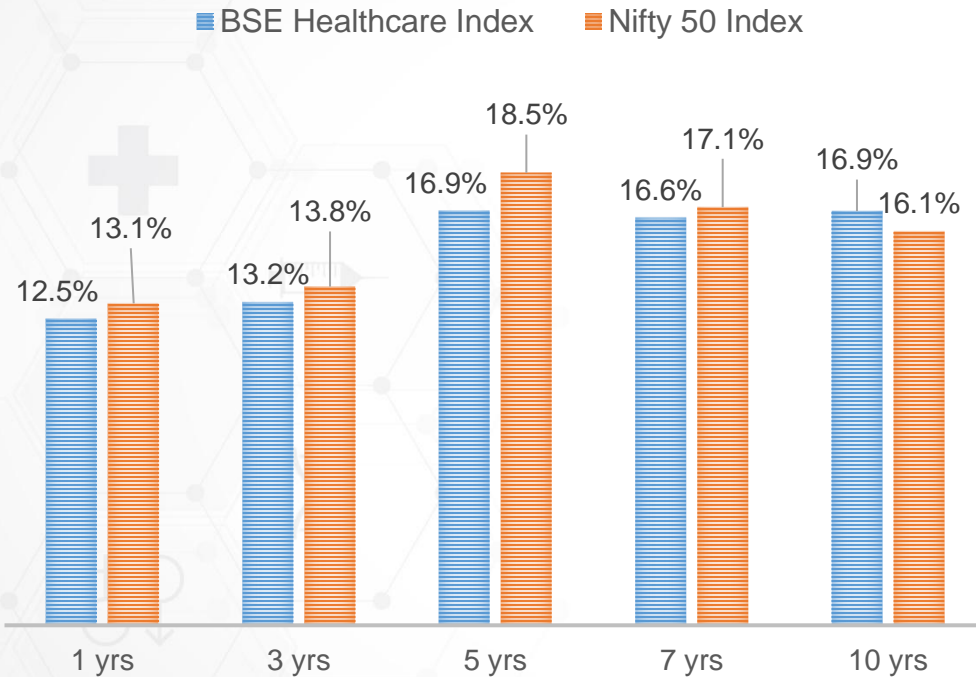
% of Observations	1 yr	2 yrs	3 yrs	4 yrs	5 yrs	6 yrs	7 yrs	8 yrs	9 yrs	10 yrs
Less than 8% Return	42%	37%	26%	25%	25%	35%	27%	46%	0%	0%
8% to 15% Return	9%	16%	18%	22%	39%	32%	62%	39%	83%	89%
Above 15% Return	49%	47%	56%	53%	37%	32%	11%	15%	16%	10%

Source: ICRA MFI Explorer, Past performance may or may not be sustained in future
Data as on Oct 31, 2024. Data shown for BSE Healthcare Index

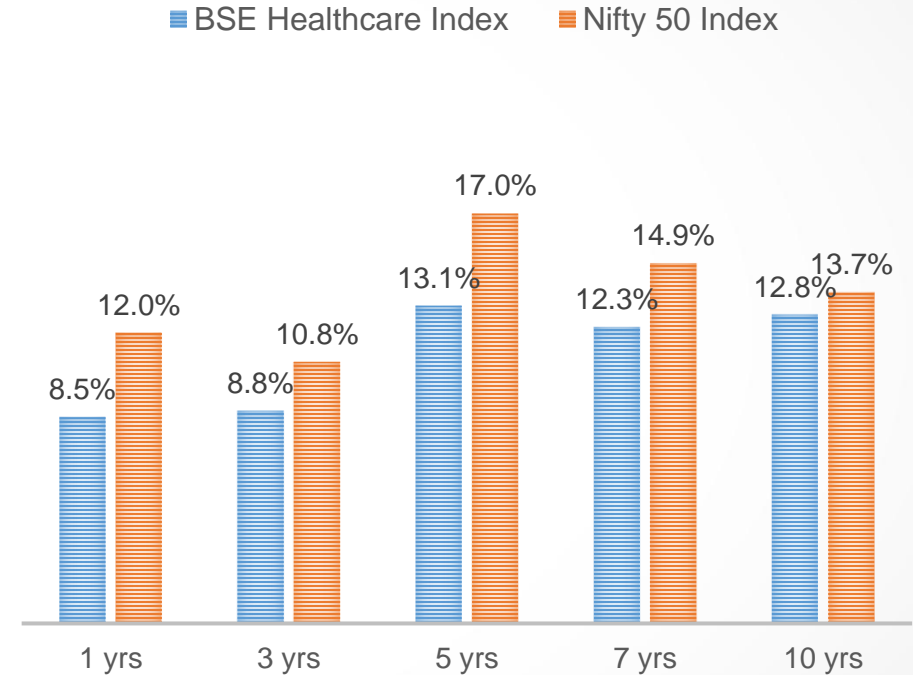


Lesser volatility & downside risk

Standard Deviation (Volatility)



Downside Risk



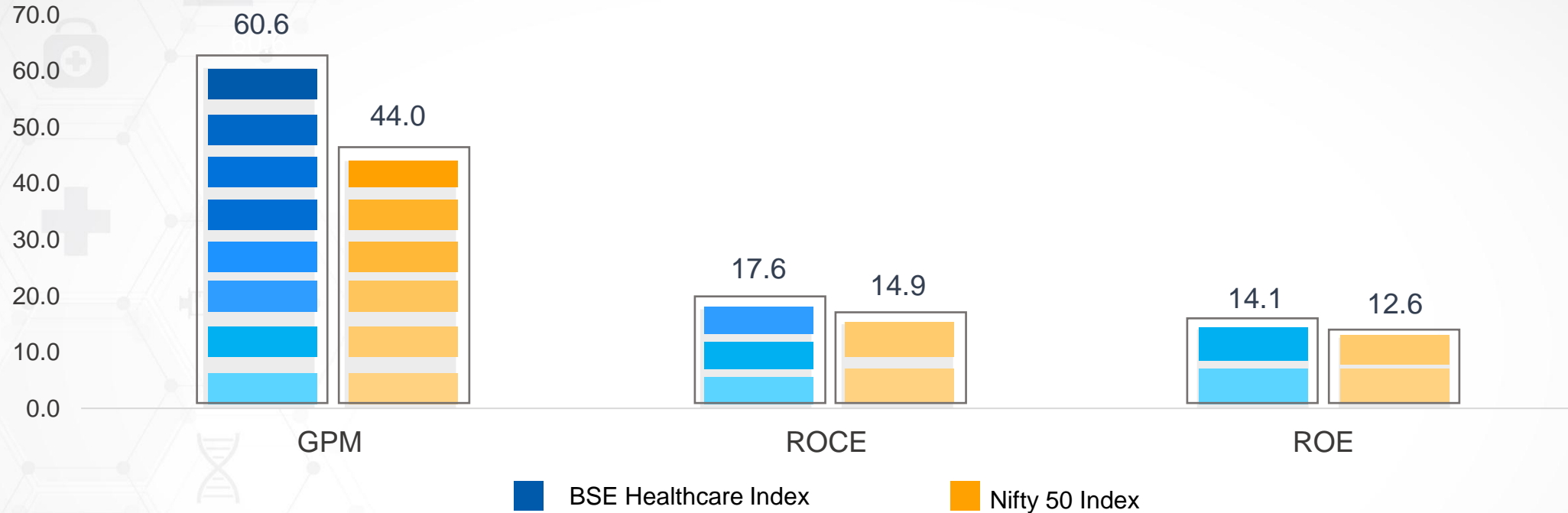
The Healthcare Index stands out as a resilient investment, consistently presenting lower volatility and downside risk than the broader market, making it a suitable choice for long-term investors

Source: ICRA MFI Explorer. Past performance may or may not be sustained in future
Data as on Oct 31, 2024





Healthy fundamentals of the sector



Healthcare is favourable for investment now as the fundamentals are stronger as compared to the broader markets

GPM (Gross Profit Margin): Shows how efficiently a company is producing or delivering its products

ROCE (Return on capital employed): Shows how well a company generates profit from its capital, which includes both equity and debt

ROE (Return on Equity): Shows how effectively a company is using the capital invested by its shareholders to generate profit

Past performance may or may not be sustained in future

Data as on Sep 30, 2024 | Source: ACE Equity



AS INDIA GETS HEALTHIER,
YOU CAN GET WEALTHIER

Introducing

BAJAJ FINSERV HEALTHCARE FUND

(An open ended equity scheme following pharma,
healthcare and allied theme)



Investing in MEGATRENDS

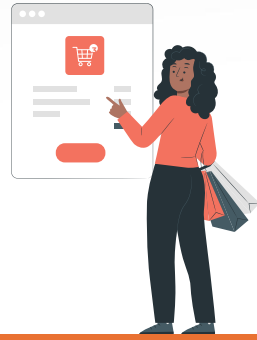


Regulatory Megatrend Biosecure Act 2024

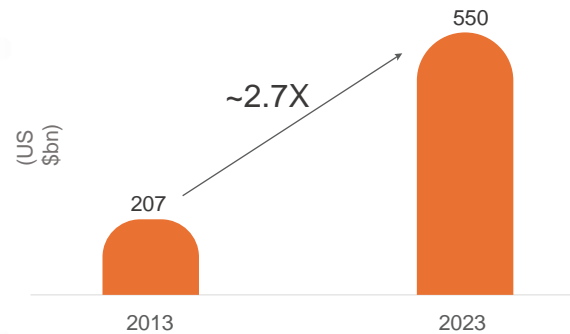


CRAMS segment in India is estimated to double with the introduction of Biosecure Act

Source: News article – Financial Express

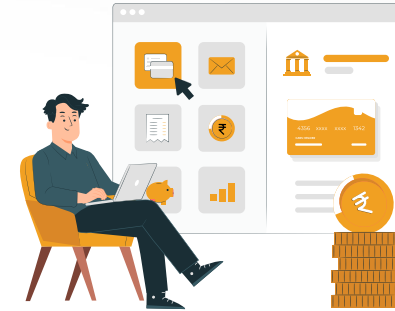


Economic Megatrend Health insurance penetration

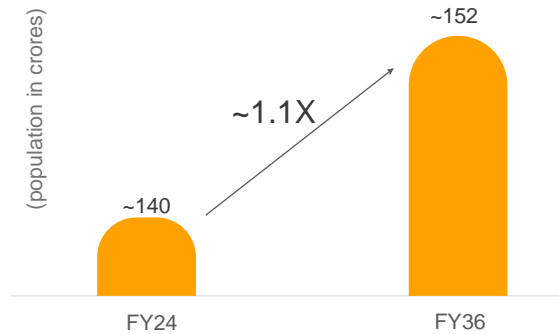


Health insurance penetration in India has increased

Source: IRDAI



Demography Megatrend Demographic Dividend

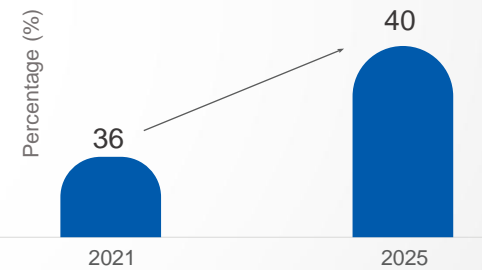


Projected Annual Population of India is expected to grow by 1.1 times by FY36.

Source: National Commission on Population



Social Megatrend Health & Wellness Focus



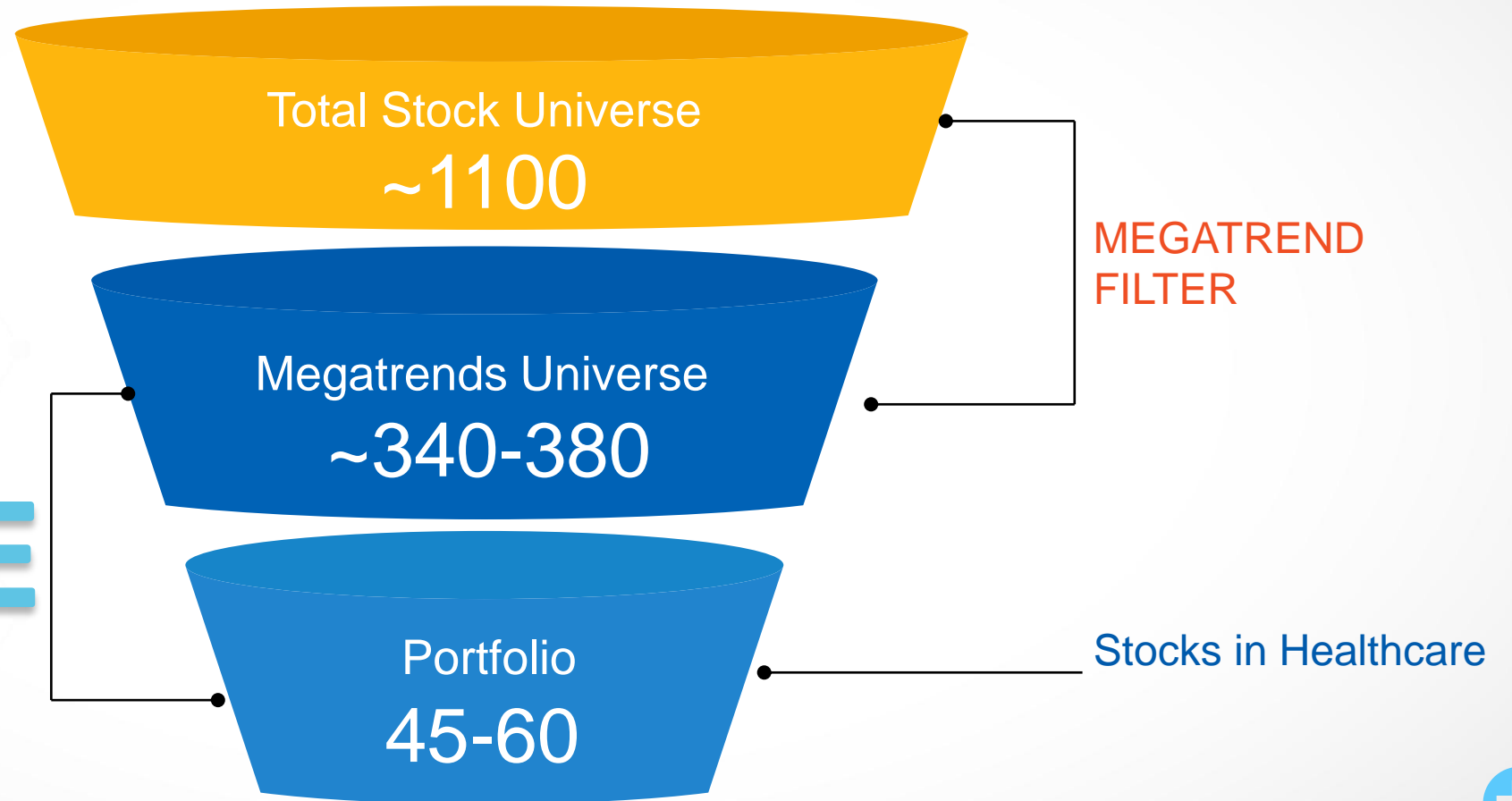
Preventive healthcare is expected to form 40% of the Indian healthcare spending

Source: Nykaa RHP

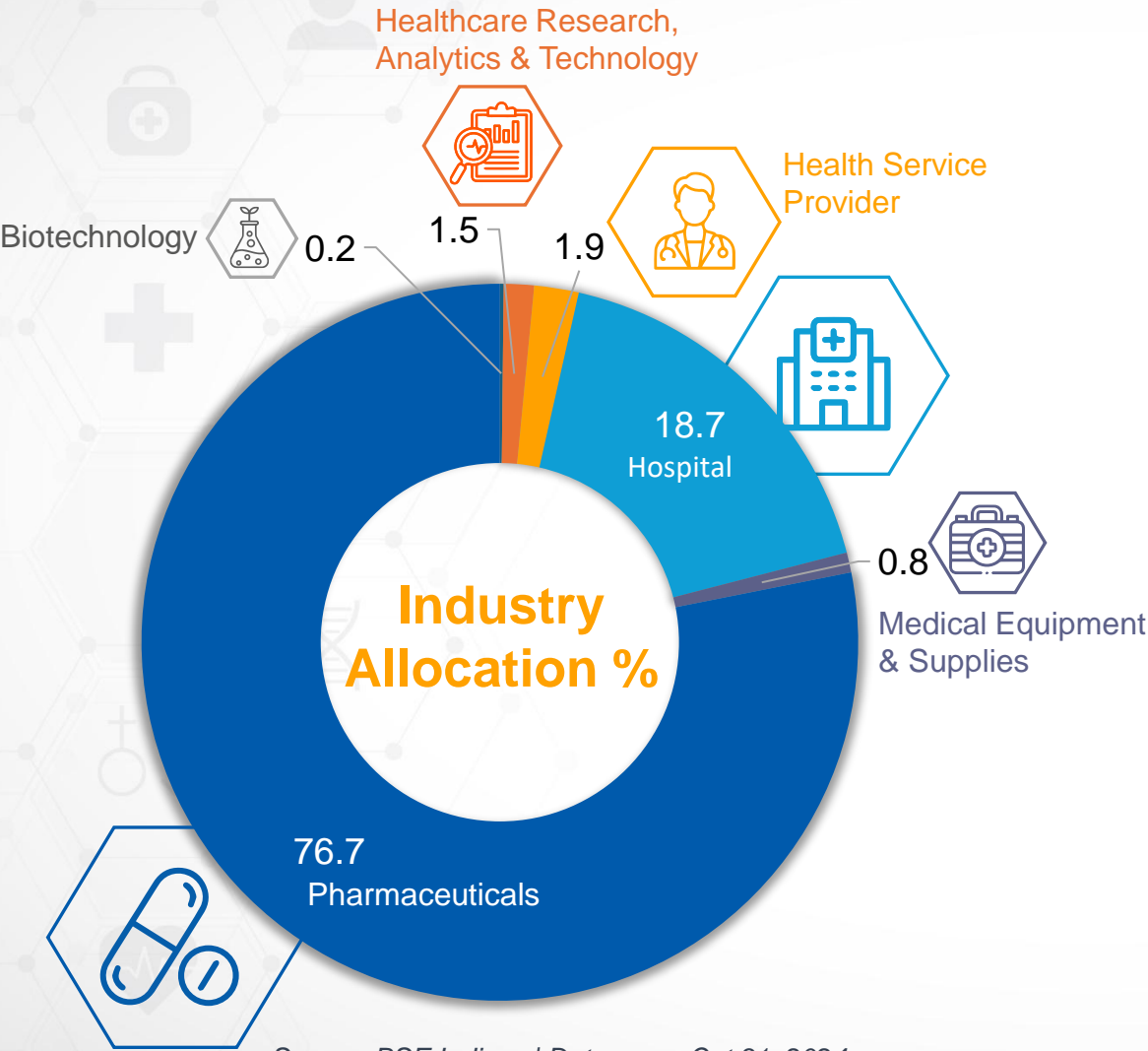


Portfolio Construction Process

INQUBE



Composition of the benchmark



Source: BSE Indices | Data as on Oct 31 2024

Top 10 Constituents

- Sun Pharmaceutical Industries Ltd.
- Cipla Ltd.
- Dr Reddys Laboratories Ltd.
- Divi’s Laboratories Ltd.
- Max Healthcare Institute Ltd.
- Apollo Hospitals Enterprise Ltd.
- Lupin Ltd.
- Aurobindo Pharma Ltd.
- Fortis Healthcare Ltd.
- Alkem Laboratories Ltd.



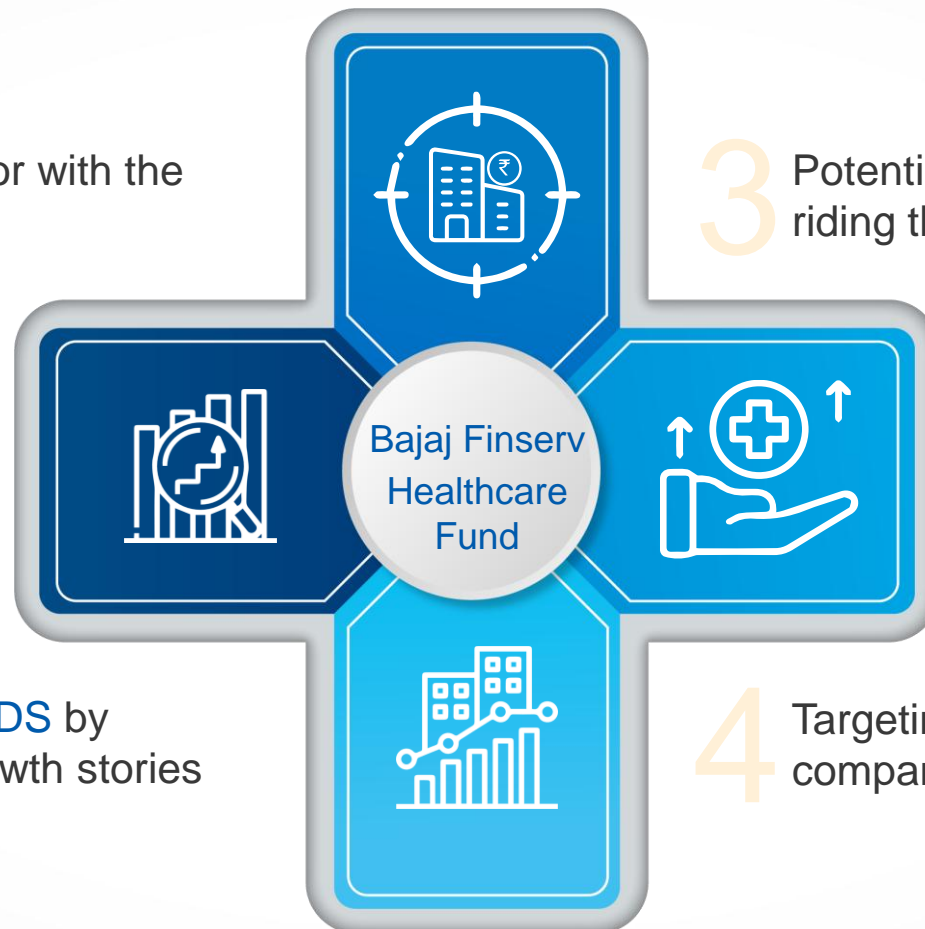
Why invest in Bajaj Finserv Healthcare Fund?

1 Low correlation of the sector with the broader market

2 Investment in **MEGATRENDS** by identifying the potential growth stories

3 Potential to create wealth over long-term by riding the healthcare boom

4 Targeting future profit pool companies



Who should invest in the Fund?

Investors with a higher risk appetite



Investors with an investment horizon of 5+ years



Investors looking to diversify their equity portfolio with healthcare and wellness industries



Investors looking for tactical allocation in their overall equity portfolio



Our investment philosophy

IN

INFORMATION
EDGE

- Outperform the market on superior information collection

QU

QUANTITATIVE
EDGE

- Outperform the market on processing information better
- Quant models, Analytical models

BE

BEHAVIORAL
EDGE

- Outperform the market by better decision making
- Take advantage of crowd over-reaction and underreaction
- Reduces one's own behavioral pitfalls





Bajaj Finserv Healthcare Fund - Portfolio

Stock	Market Value as % of Net Asset (Eq)
Divi's Laboratories Limited	9.27%
Sun Pharmaceutical Industries Limited	8.83%
Cipla Limited	8.33%
Apollo Hospitals Enterprise Limited	5.76%
Piramal Pharma Limited	3.71%
Biocon Limited	3.66%
Dr Reddys Laboratories Limited	3.45%
Neuland Laboratories Limited	2.98%
Emcure Pharmaceuticals Ltd	2.70%
Syngene International Limited	2.69%
Torrent Pharmaceuticals Limited	2.62%
GlaxoSmithKline Pharmaceuticals Limited	2.44%
IPCA Laboratories Limited	2.28%
Hindustan Unilever Limited	2.15%
Rainbow Childrens Medicare Limited	2.04%
Sanofi Consumer Healthcare India Limited	2.02%
Abbott India Limited	1.89%
Vijaya Diagnostic Centre Limited	1.83%
Orchid Pharma Limited	1.82%
Zydus Wellness Limited	1.81%
Glenmark Pharmaceuticals Limited	1.80%

Stock	Market Value as % of Net Asset (Eq)
Pfizer Limited	1.78%
Alkem Laboratories Limited	1.57%
Emami Limited	1.52%
Lupin Limited	1.32%
Dr. Lal Path Labs Limited	1.29%
AstraZeneca Pharma India Limited	1.27%
Marico Limited	1.21%
Mankind Pharma Limited	1.15%
MedPlus Health Services Limited	1.15%
Alembic Pharmaceuticals Limited	1.13%
Medi Assist Healthcare Services Limited	1.05%
Jubilant Pharmova Limited	1.01%
Aurobindo Pharma Limited	0.99%
Colgate Palmolive (India) Limited	0.94%
Nestle India Limited	0.77%
Shaily Engineering Plastics Limited	0.48%
Neogen Chemicals Limited	0.46%
Total Equities	93.17%
Total Short Term Debt and Net Current Assets	6.83%
Grand Total	100.00%

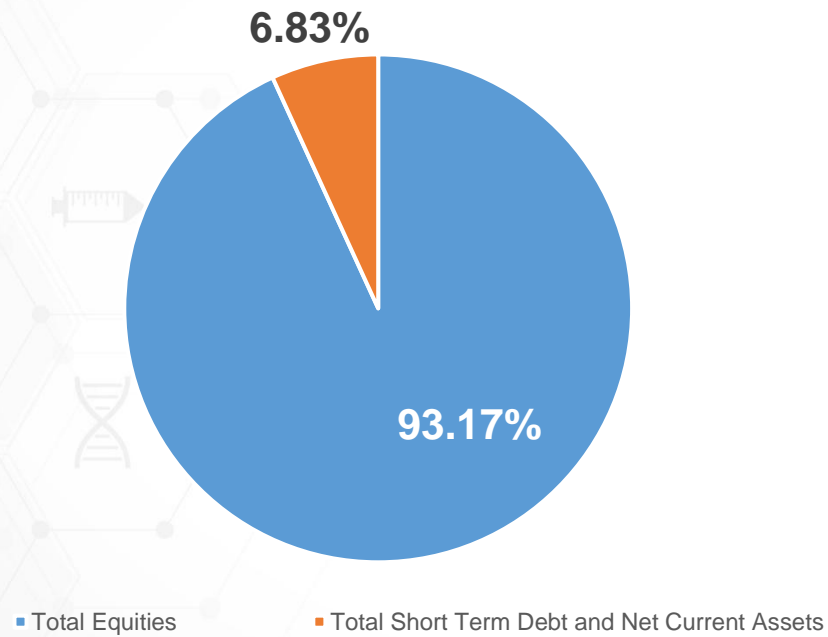
Data as on 30th April 2025.



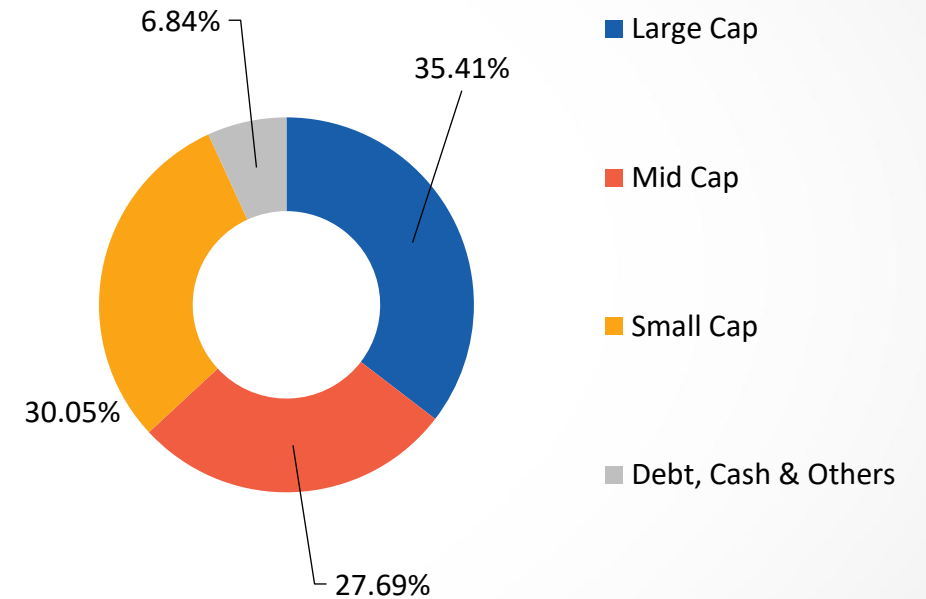


Bajaj Finserv Healthcare Fund - Allocation

Asset Allocation



Market Cap Breakup



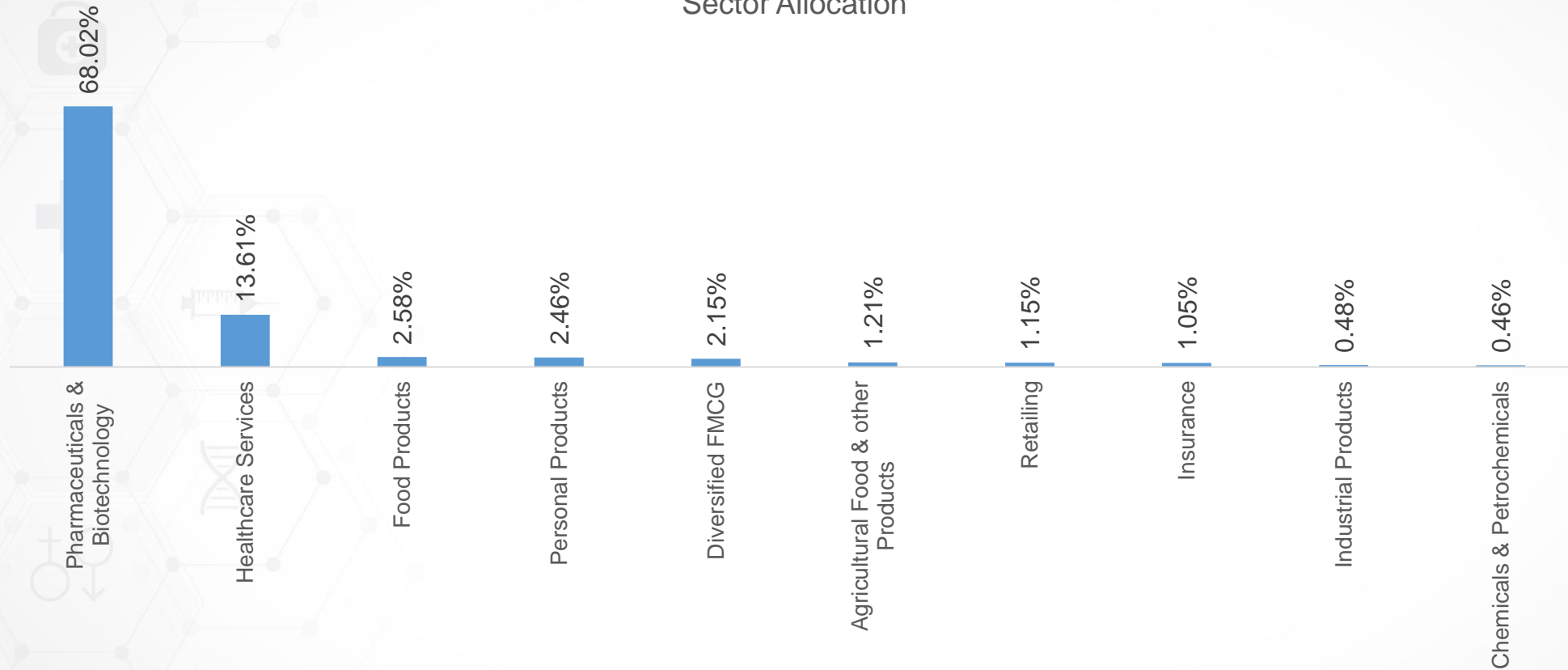
Data as on 30th April 2025.





Bajaj Finserv Healthcare Fund – Sector Allocation

Sector Allocation



Data as on 30th April 2025.





Scheme Features

Scheme Type	An open ended equity scheme following pharma, healthcare and allied theme
Plans	Regular Plan Direct Plan
Option	Growth IDCW
Minimum Application Amount	Rs. 500 (Plus multiples of Re.1)
Minimum Additional Application	Rs. 100 (Plus multiples of Re.1)
Entry Load	Nil
Exit Load	For each purchase of units through Lumpsum / switch-in / Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP), exit load will be as follows: <ul style="list-style-type: none">• if units are redeemed / switched out within 3 months from the date of allotment: 1% of applicable NAV.• if units are redeemed/switched out after 3 months from the date of allotment, no exit load is payable.
Fund Manager	Equity Portion: Mr. Nimesh Chandan & Mr. Sorbh Gupta Debt Portion: Mr. Siddharth Chaudhary
Benchmark Index	BSE Healthcare Total Return Index (TRI)
SIP/ SWP/ STP	Available





Bajaj Finserv Healthcare Fund

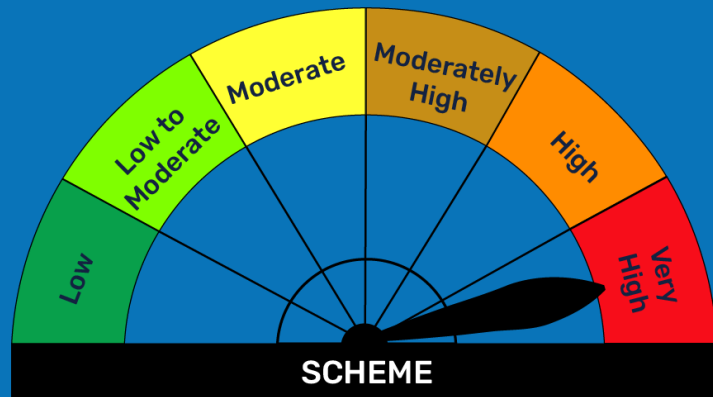
(An open ended equity scheme following pharma, healthcare and allied theme)

This product is suitable for investors who are seeking*:

- Wealth creation over long term
- To invest predominantly in equity and equity related instruments of pharma, healthcare and allied companies

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

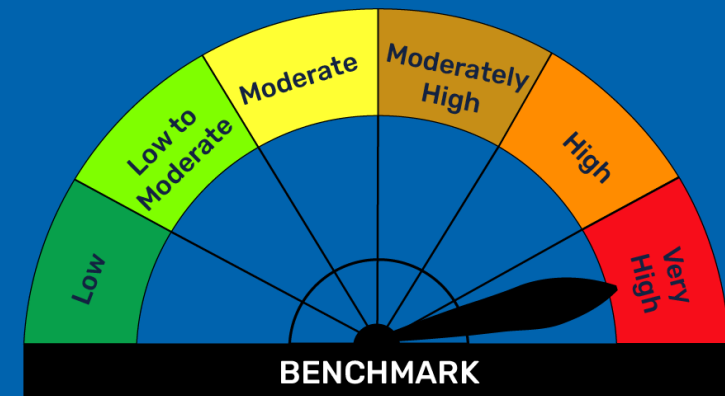
SCHEME



The risk of the scheme is very high

RISKOMETER

BENCHMARK



The risk of the benchmark i.e.
BSE Healthcare Total Return Index (TRI)
is very high

A blue stethoscope icon with a heart rate line, positioned at the top left of the slide.

Disclaimer

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.



THANK YOU

