

It pays to invest in health

Introducing

Bandhan BSE Healthcare Index Fund

Invest Now

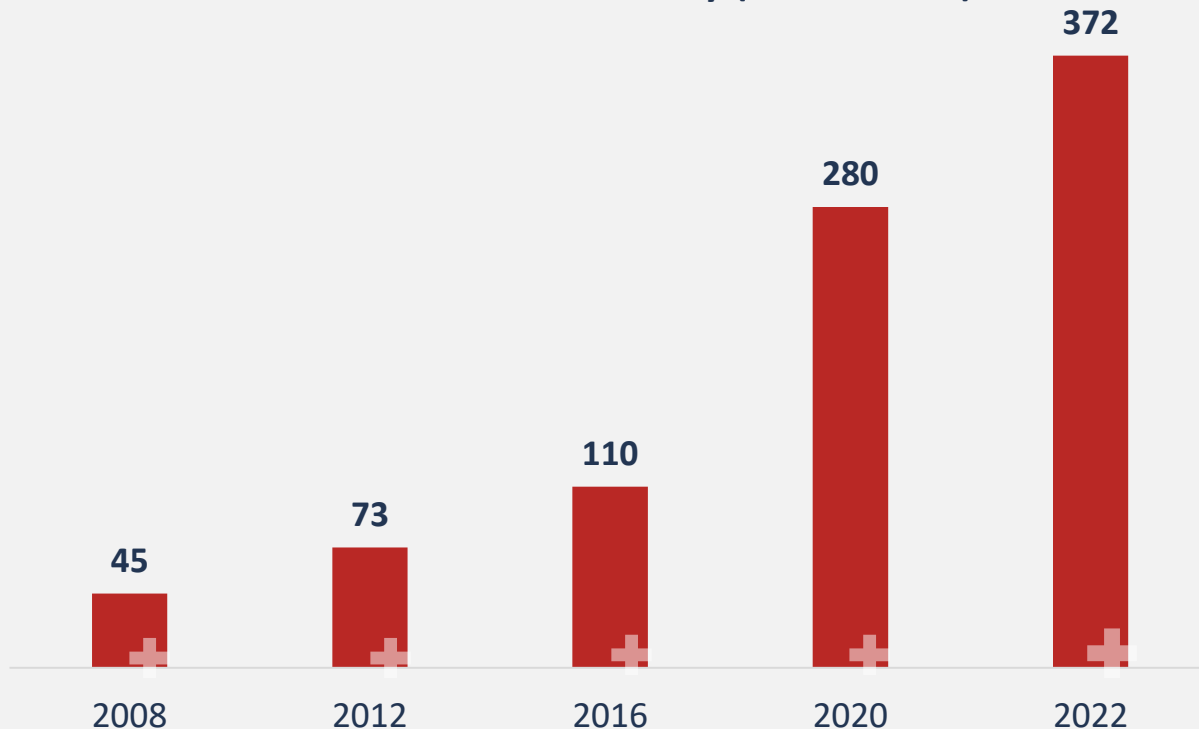
NFO Opens: 21st August 2024

NFO Closes: 3rd September 2024



Domestic Healthcare Industry on a Rapid Growth Trajectory

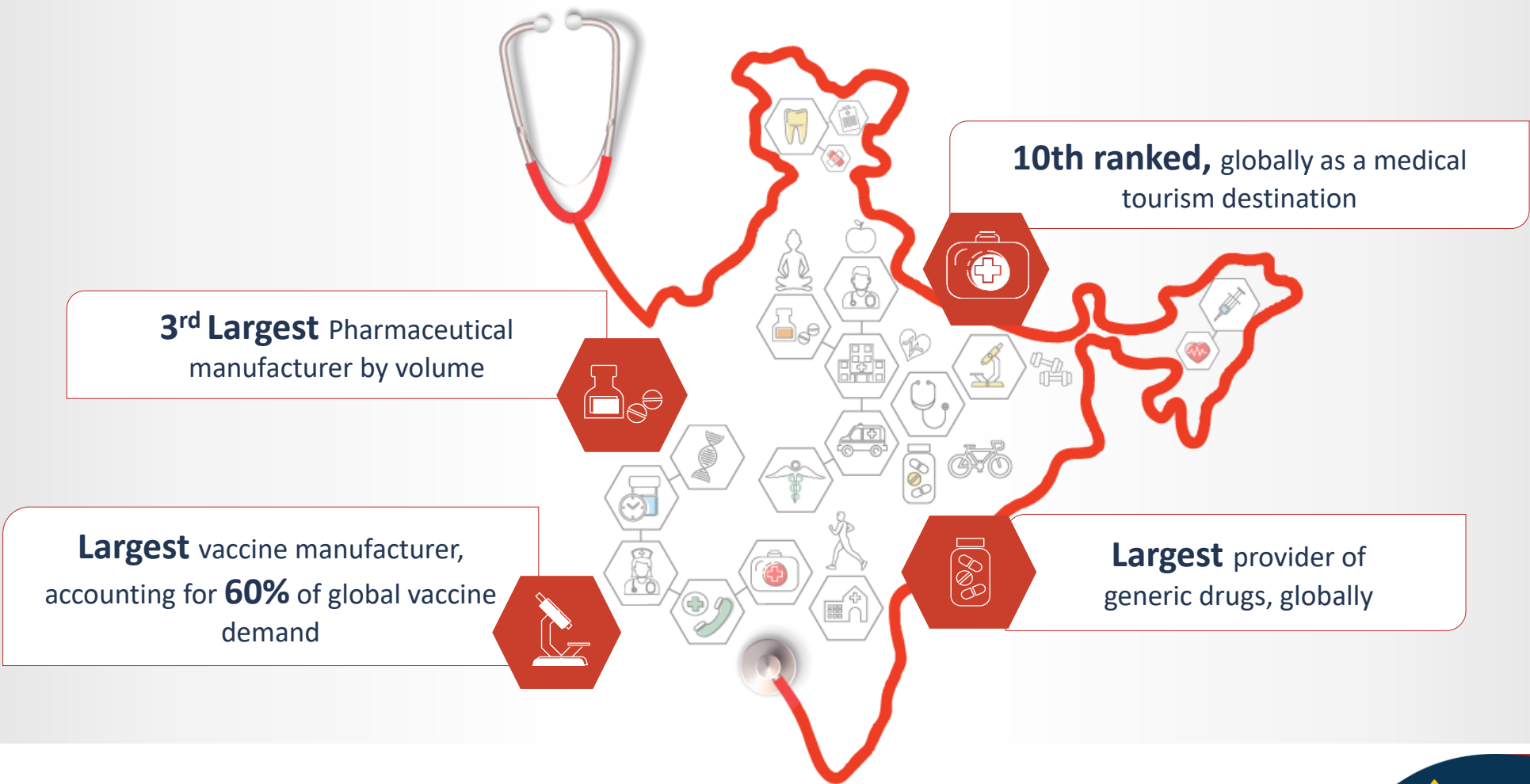
Size of Indian Healthcare Industry (USD Billions)



- + As of the end of 2022, the size of the domestic healthcare industry was pegged at approximately \$372 billion.
- + Between 2008 and 2022, the industry grew at an approximate CAGR of 16%.
- + The momentum is expected to continue, driven by an aging population, burgeoning lifestyle diseases, and rising affordability.

Source: Statista.com. Data as of 12th July 2023. Prabhudas Liladhar- The sky is limit report was published in March 2022 and the data provided is as per the latest available report.

India's Healthcare Industry is Coming of Age

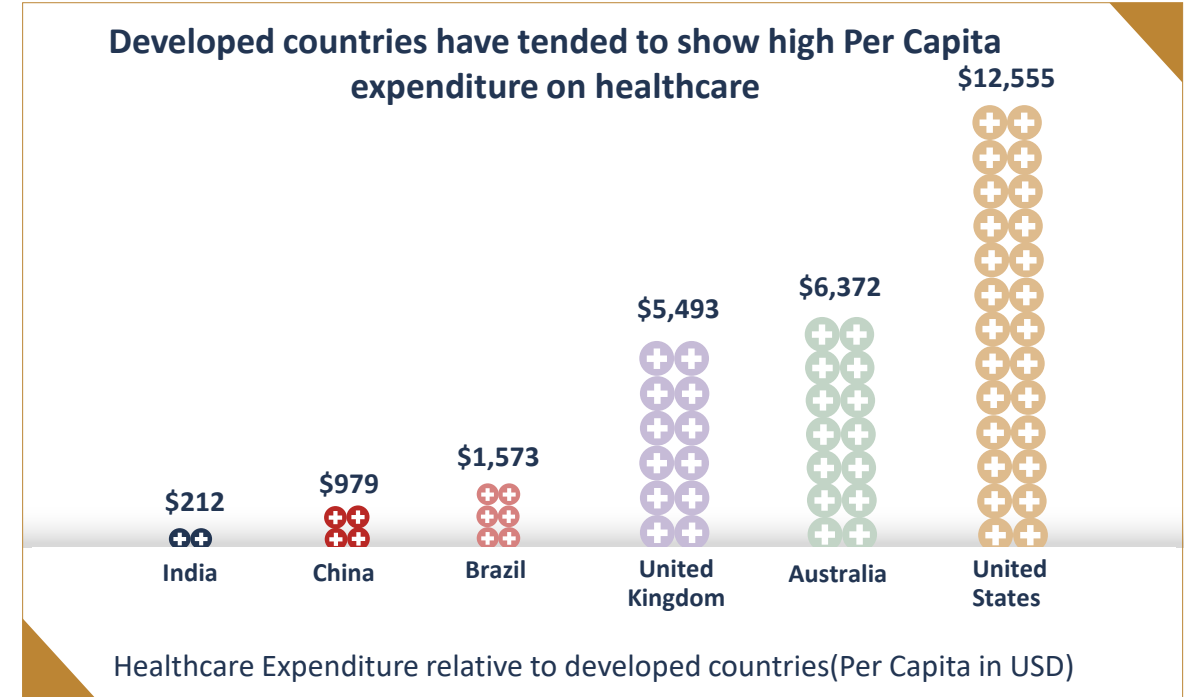
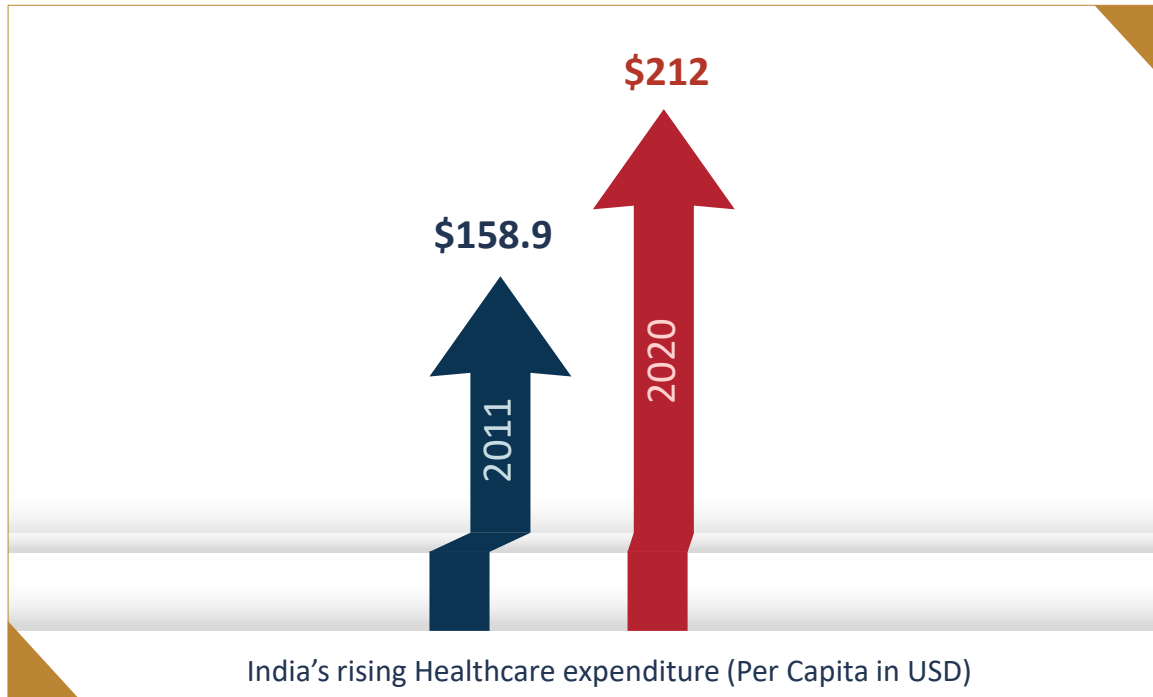


Source: IBEF. Data as of 30th June 2024



**The Healthcare Gap = Potential
Opportunity?**

Industry Growth Continues, but Per Capita Expenditure Remains Low



While the curve has been moving upward for India, it lags compared to other large economies



As nations progress, the per capita expenditure on healthcare also grows.

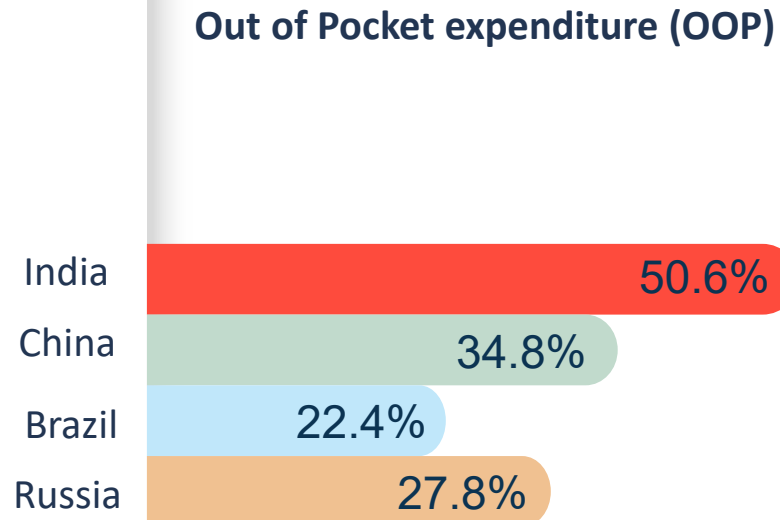
Going ahead, you may see the prioritization of healthcare prompting opportunities in this sector

Indian Healthcare Remains Constrained by the Iron Triangle

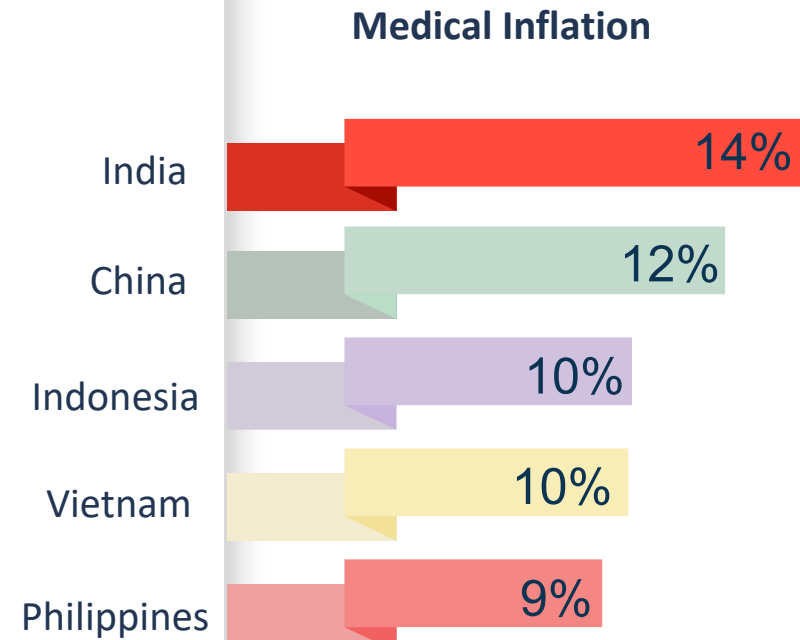


Source: 1- Worldbank-OOP expenditure. Data as of 2020. 3- Health insurance for the missing middle- NITI AAYOG October 2021, 4- Healthcare radius. Report as of 04th Jul 2023. 5- WHO, Crisil research, BCG- A digital pill for revolutionizing healthcare. Data as per WHO estimation 2021. The data provided as per the latest available report.

1. Affordability- Dual Challenge of High Out-Of-Pocket Expenditure and Medical Inflation



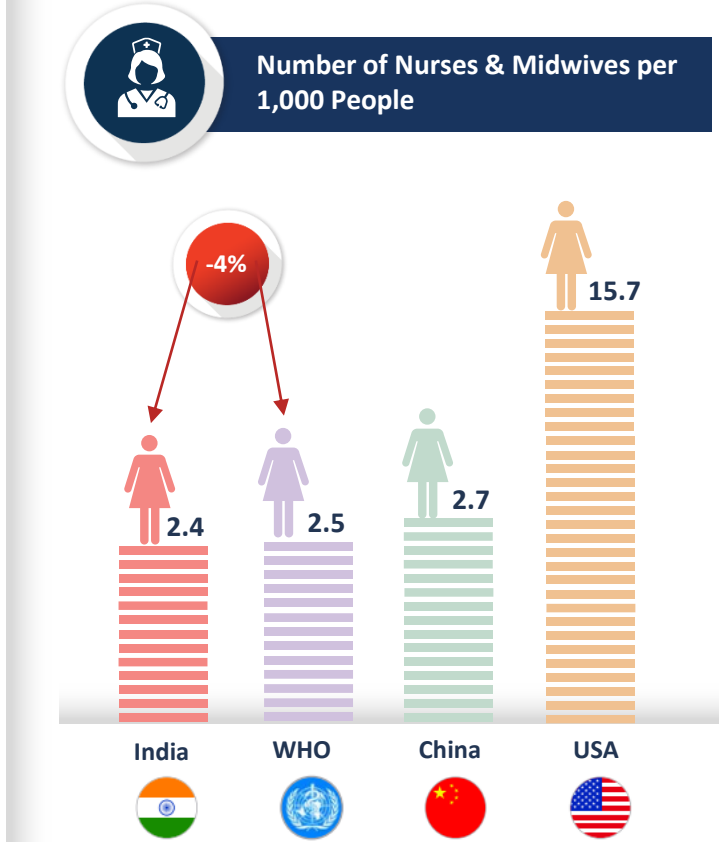
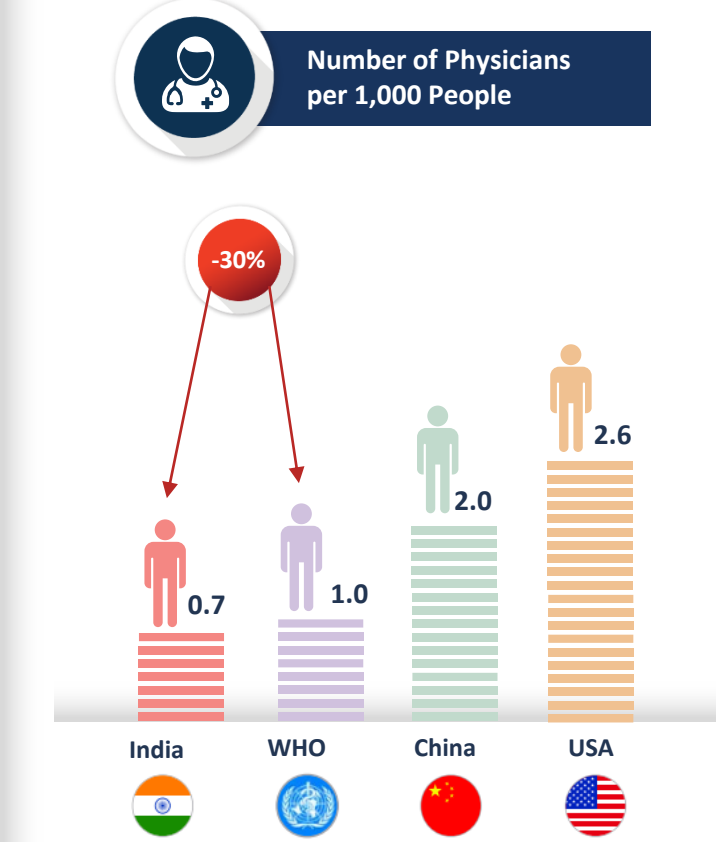
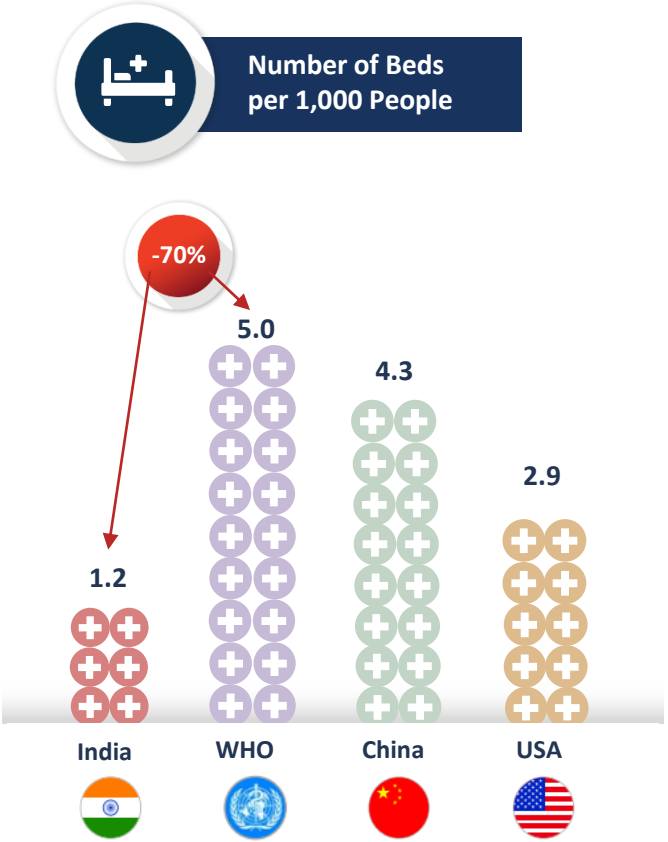
A high out-of-pocket expenditure imposes a significant burden. OOP in India, is higher compared to BRICS countries



India's medical inflation at 14% is the highest among Asian peers

Source: Worldbank- OOP expenditure. Data as of 2020. 3- Health insurance for the missing middle- NITI AAYOG October 2021. The data provided as per the latest available report.

2. Accessibility- Understaffed and underresourced

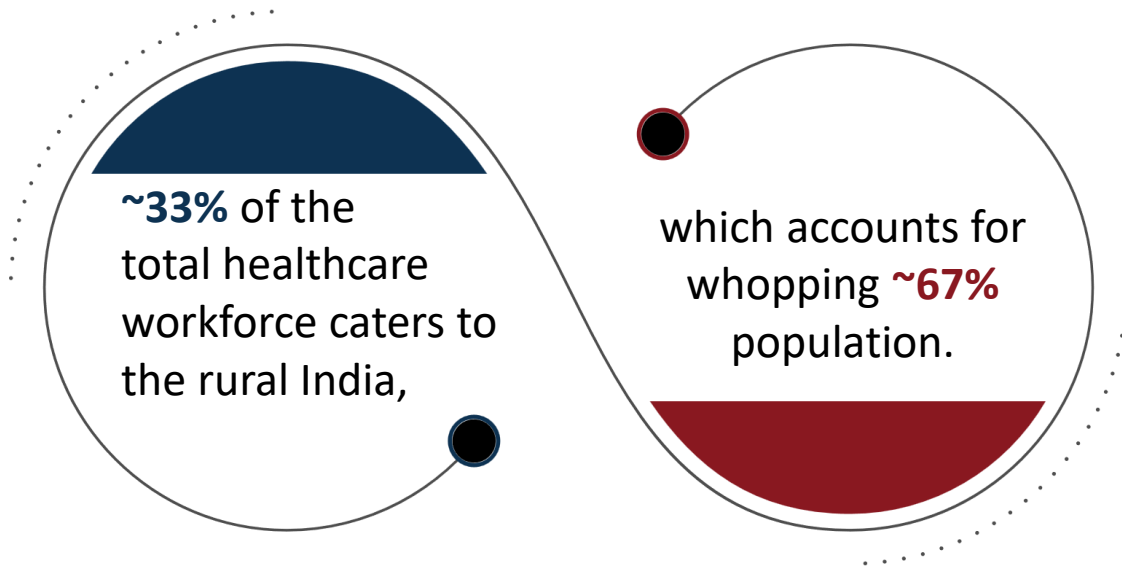


The disparity can provide an opportunity for public and private players to expand their footprint in the healthcare industry

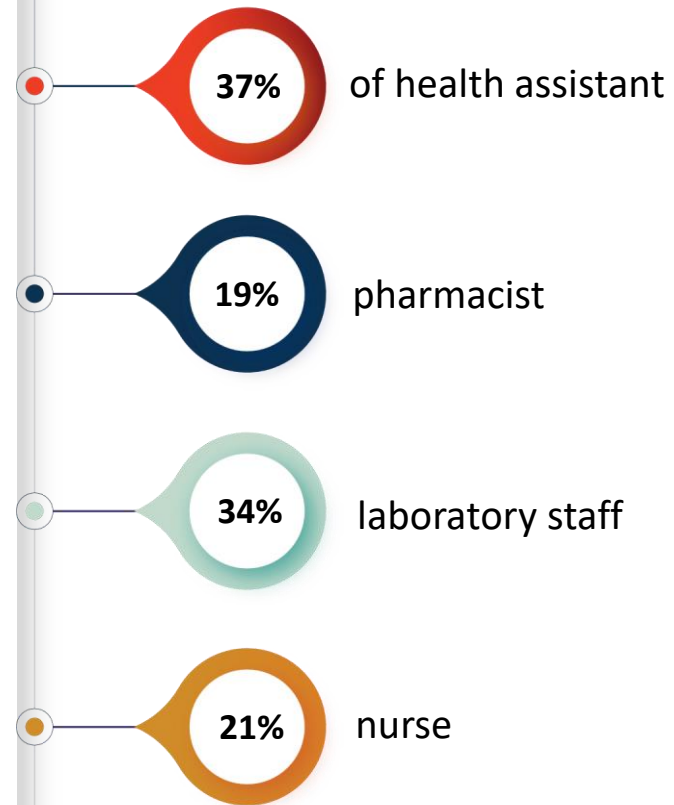
Source: WHO, Crisil research, BCG- A digital pill for revolutionizing healthcare. Data as per WHO estimation 2021. The label 'WHO' refers to the number prescribed by the World Health Organization. The data provided as per the latest available report. Midwives are trained professionals who assist women during pregnancy, labor, and childbirth

3. Quality- The Great Divide: Uneven Access to Healthcare

Disparity in workforce distribution



Primary Healthcare Challenges - positions vacant

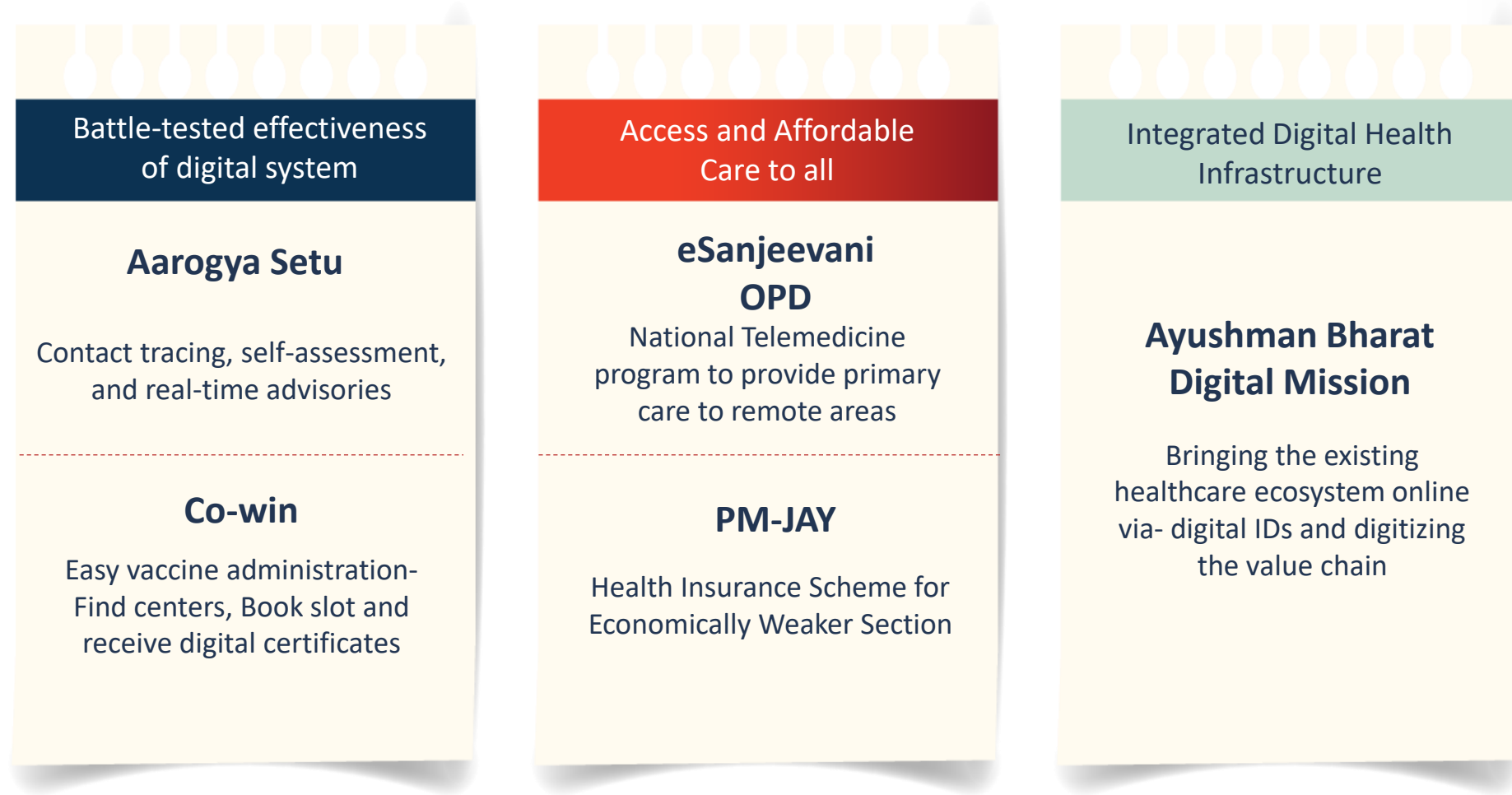


Source: 1- Lancet report published on 18th April 2023. The data provided as per latest available report.



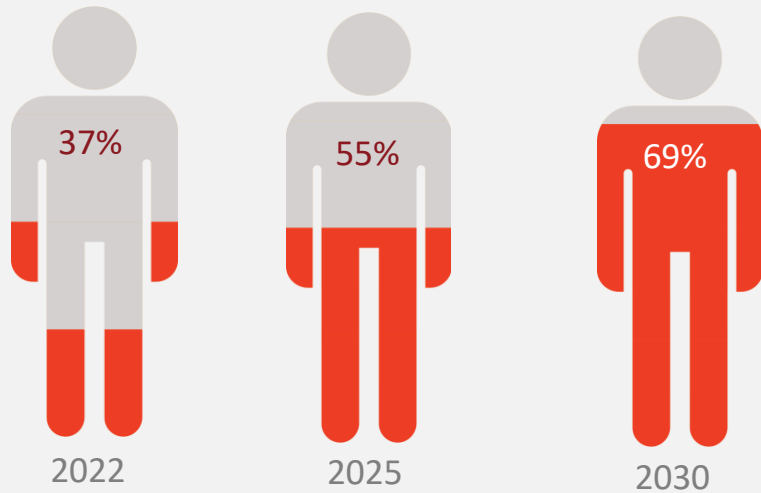
A Quiet Transformation is Reshaping India's Healthcare System

Digital Initiatives: Government's Strategy for Improved Accessibility



Wider insurance coverage: Lower Burden, Better Access

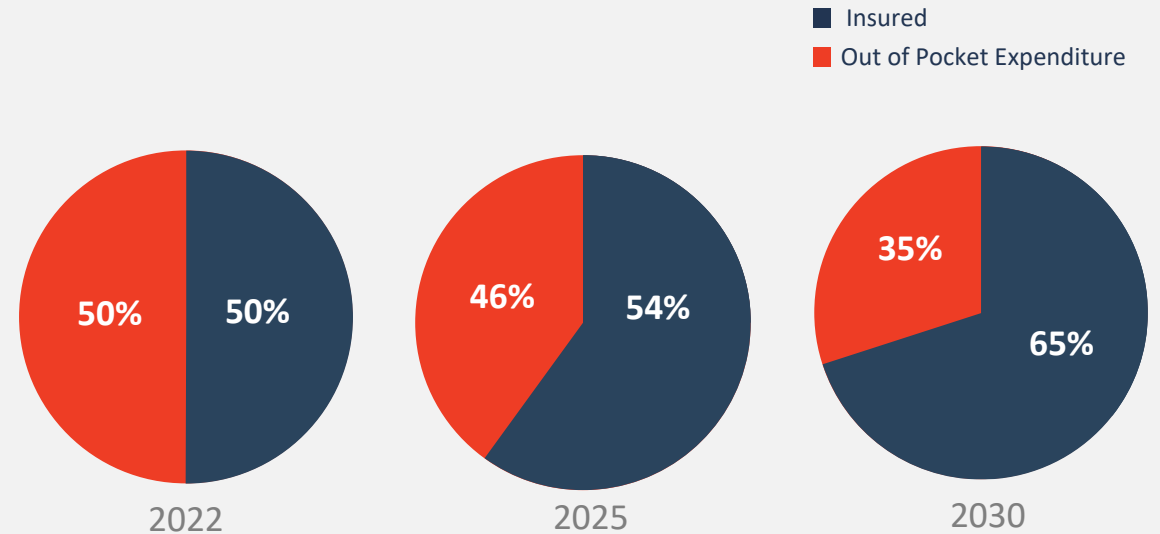
% of lives covered by Insurance



Insurance coverage is expected to rise driven by:

- + Improved access through the Ayushman Bharat Scheme
- + Increased penetration through digital distribution
- + Higher awareness for healthcare insurance

Out of pocket expenditure as % of health expenditure



As insurance coverage rises, the financial burden of healthcare will reduce allowing access to better healthcare

India Ascendancy as a Top Medical Treatment Hub

- Currently, the medical tourism market in India is pegged at US \$ 6 billion
- It is expected to grow at a CAGR of 20% between 2023-2027 to more than US \$ 35 Billion
- India was ranked 10th out of the 46 countries in medical tourism
- Primary drivers for growth in medical tourism:
 - Affordability
 - International standard hospitals/treatments
 - Language
 - Easy VISA

India's medical tourism provides quality care at a fraction of global prices

Procedure	Amount in US \$			
	India (10th)	Costa Rica (7th)	Korea (14th)	US
Facelift	4,000	6,000	15,300	15,000
Heart Bypass	5,200	25,000	28,900	1,44,000
Angioplasty	3,300	13,000	15,200	57,000
Hip Replacement	7,000	12,500	14,120	50,000
Knee replacement	6,200	11,500	19,800	50,000

Source: Synergia Foundation. HFS research- published on 13th Oct 2023. The data provided as per latest available report.



**Why one may consider investing in the
Healthcare theme?**

India's Healthcare Industry is Poised for Growth



Strong Demand

Rising Income, better health awareness, lifestyle diseases, and increasing access to insurance



Attractive Opportunities

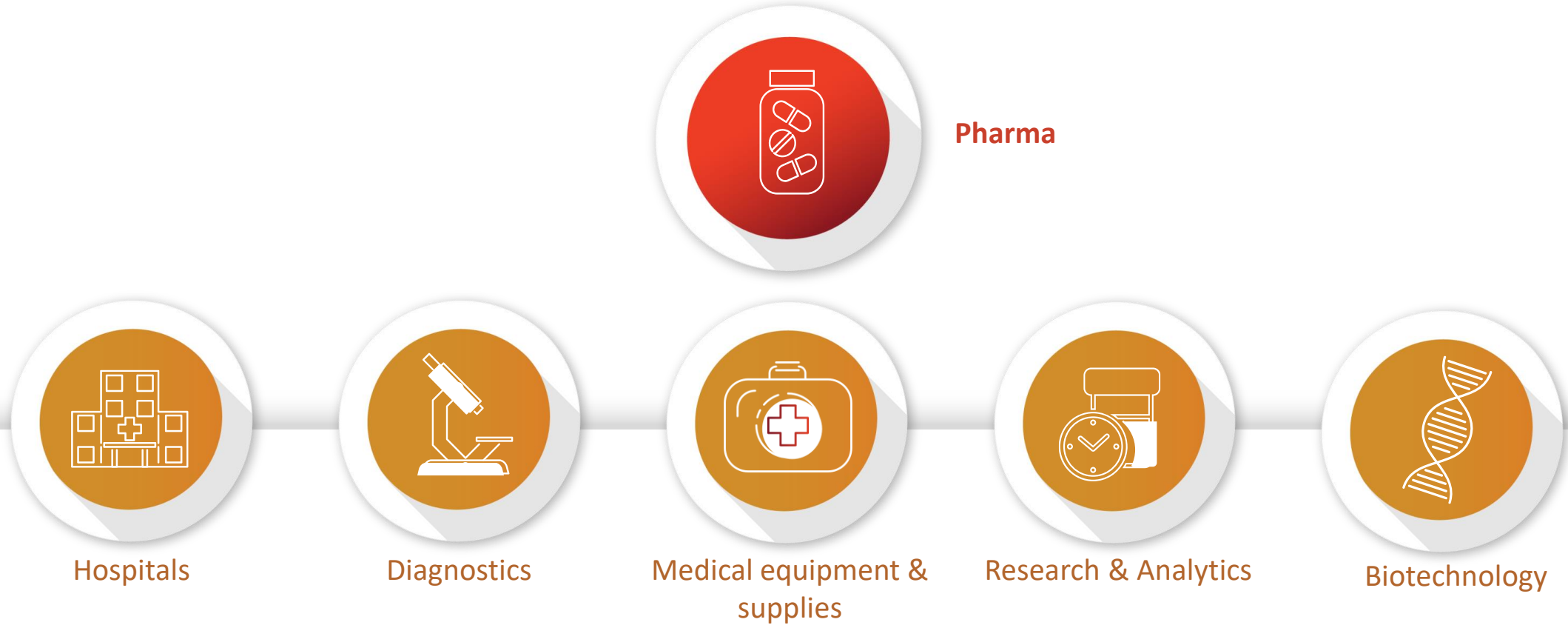
India's public expenditure on healthcare touched 2.1% of GDP in FY23



Rising Manpower

Availability of large pool of well trained medical professionals in the country

Healthcare: Beyond the Rx counter



The healthcare industry is one of the largest in India, in terms of revenue & employment

Source: Bain & Company- Global healthcare private equity report 2024.

About: BSE Healthcare TRI

Index Objective:

The BSE Healthcare Index is designed to provide investors exposure to companies included in the BSE AllCap Index and are classified as members of the healthcare sector

Universe

BSE All Cap Index

Stock Selections

Stocks classified as members of 'Healthcare sector' basis India Industry Classification Structure

Reconstitution & Weighting

Annual Rebalancing (Sep)

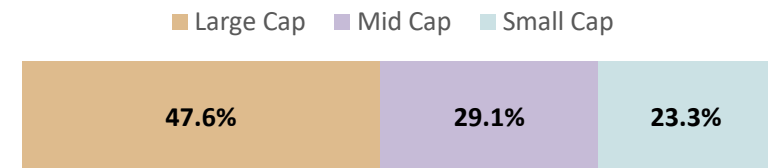
Single stock capped at 33% & Top 3 stocks capped at 63%

Provides Exposure to Nearly the Entire Listed Universe of Healthcare Stocks

Sr.No	Company	Index Weight	Sub-Industry
1	Sun Pharmaceutical Industries Ltd.	15.8%	Pharmaceuticals
2	Cipla Ltd.	7.0%	Pharmaceuticals
3	Dr.Reddys Laboratories Ltd.	7.0%	Pharmaceuticals
4	Max Healthcare Institute Ltd.	5.8%	Hospital
5	Apollo Hospitals Enterprise Ltd.	5.7%	Hospital
6	Divis Laboratories Ltd.	5.3%	Pharmaceuticals
7	Lupin Ltd.	3.9%	Pharmaceuticals
8	Aurobindo Pharma Ltd.	3.4%	Pharmaceuticals
9	Zydus Lifesciences Ltd.	2.7%	Pharmaceuticals
10	Torrent Pharmaceuticals Ltd.	2.5%	Pharmaceuticals
Total		59.1%	-

Sub-industry	No. of stocks	Weight
Pharmaceuticals	70	77.3%
Hospital	16	18.4%
Healthcare Research, Analytics & Technology	3	1.4%
Medical Equipment & Supplies	2	0.8%
Healthcare Service Provider	6	2.0%
Biotechnology	1	0.2%
Total	98	100.0%

Market Capitalization Breakup



Source: BSE. Data as of 31st July 2024. The sectors/stocks mentioned herein are only for illustrative purposes. They should not be construed as a recommendation from Bandhan Mutual Fund or indicative portfolio of any scheme of Bandhan Mutual Fund. Bandhan Mutual Fund may or may not hold any position in these sectors/stocks.

Historically, the Index Delivered Relatively Better Risk-Adjusted Returns

Parameter	Period	BSE Healthcare TRI	Nifty 50 TRI
CAGR	1 Year	45.5%	27.4%
	3 Year	16.1%	17.7%
	5 Year	26.7%	18.8%
	10 Year	13.2%	13.8%
Volatility	1 Year	12.8%	12.7%
	3 Year	13.6%	14.0%
	5 Year	17.4%	19.1%
	10 Year	17.5%	16.5%
Risk adj. return	1 Year	3.56	2.16
	3 Year	1.18	1.27
	5 Year	1.54	0.98
	10 Year	0.76	0.83

Source- BSE. Data as of the end of 31st July 2024. Performance results may have inherent limitations, and no representation is being made that any investor will or is likely to achieve. Past performance may or may not be sustained in the future.

On a Rolling Return Basis too, the Healthcare Index has Outperformed the Nifty 50

Rolling Returns	3 Year		5 Year	
	BSE Healthcare TRI	Nifty 50 TRI	BSE Healthcare TRI	Nifty 50 TRI
Average	16.0%	12.8%	14.9%	12.5%
Min	-9.9%	-3.9%	-6.8%	-1.9%
Max	43.6%	32.1%	34.3%	21.8%

Source: BSE. Data as of 15th April 2008 to 31st July 2024. Performance results may have inherent limitations, and no representation is being made that any investor will or is likely to achieve. Past performance may or may not be sustained in the future.

Risk Factors

Concentration Risk

Sectoral/thematic funds focus exclusively on specific industries or sectors. If the chosen sector performs poorly, the fund's returns may significantly underperform the overall market



Volatile

Sectoral/thematic funds tend to be more volatile than broad-based funds due to their concentrated exposure to a single sector

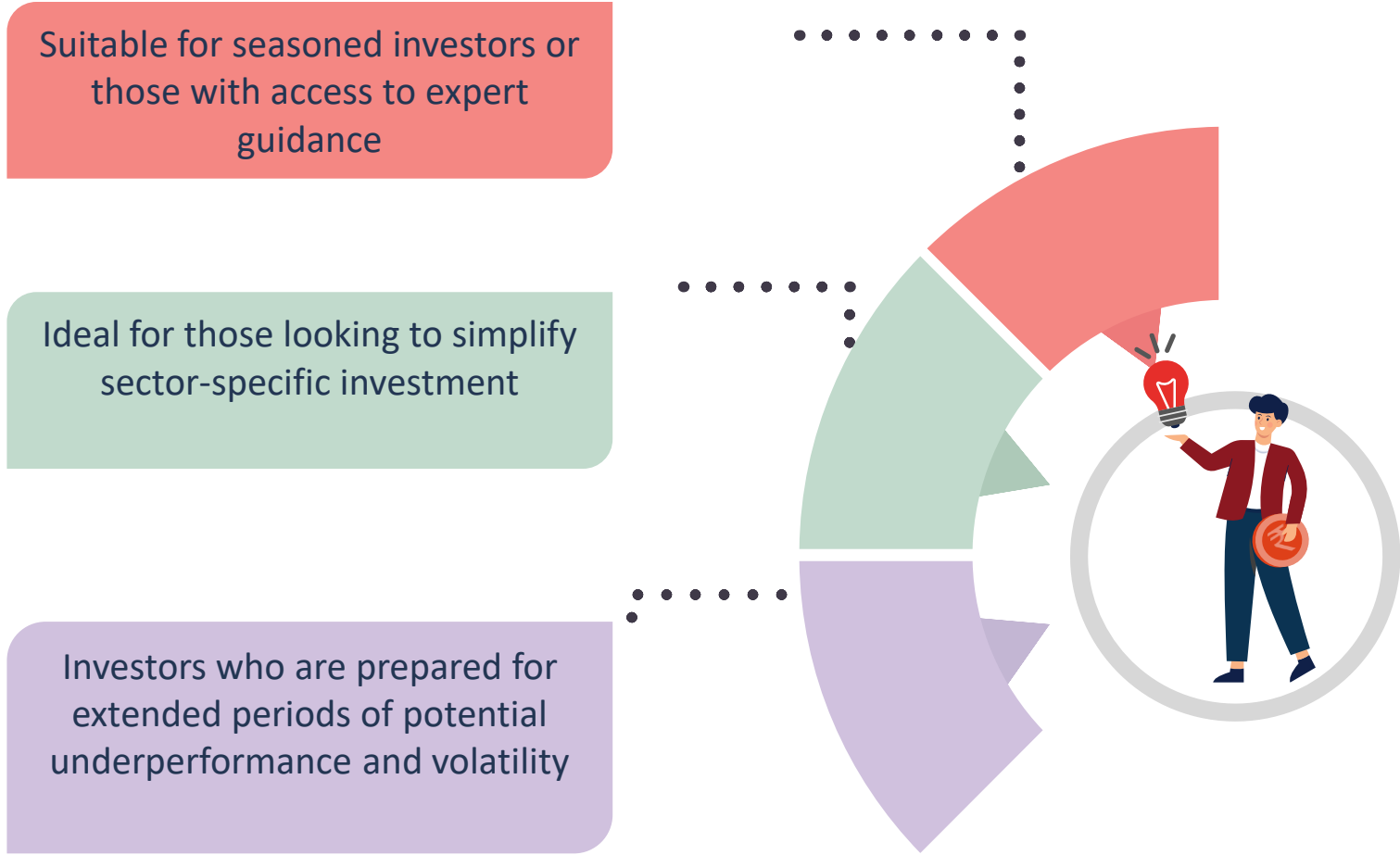


Regulatory Risk

Changes in regulations or government policies affecting a particular sector can impact sectoral/thematic funds








Who is this suitable for?



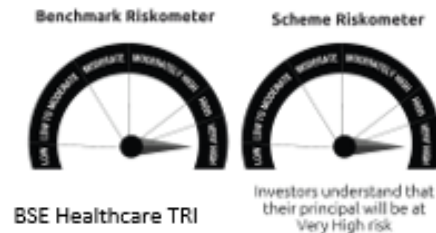
Key Takeaway

- 1** The Indian healthcare industry has experienced rapid expansion, growing at a 16% compound annual growth rate (CAGR) from 2008 to 2022. It is now valued at \$372 billion
- 2** The industry is solidifying its status as a global leader, ranked as the world's largest vaccine manufacturer and the largest provider of generic drug
- 3** Often healthcare and pharmaceutical are used interchangeably. However, the healthcare industry encompasses segments like hospitals, diagnostics, medical equipment, etc.
- 4** Various digital initiatives (Arogya Setu, Co-Win, Ayushman Bharat Digital Mission, etc.) are being employed to overcome the iron triangle of Accessibility, Affordability and Quality.
- 5** The BSE Healthcare index provides exposure to almost all the listed stocks in the healthcare sector, offering comprehensive sector exposure and simplifying sector-specific investment
- 6** Historically, on a 3-year & 5-year rolling returns basis, the BSE Healthcare index has outperformed the Nifty 50 Index

Bandhan BSE Healthcare Index Fund Details

 Benchmark	BSE Healthcare TRI
 Exit Load	<ul style="list-style-type: none">• 0.25% - If redeemed on or before 15 days from the allotment date• Nil - if redeemed after 15 days from the allotment date
 Fund Managers	Mr. Nemish Sheth
 Investment Objectiv	The investment objective of the Scheme is to replicate the BSE Healthcare index by investing in securities of the BSE Healthcare Index in the same proportion/weightage with an aim to provide returns before expenses that closely correspond to the total return of BSE Healthcare index, subject to tracking errors. However, there is no assurance or guarantee that the objectives of the scheme will be realized, and the scheme does not assure or guarantee any returns.
 Subscription	Lumpsum purchase - Rs. 1000/- and in multiples of Re. 1/- thereafter Additional purchase – Rs. 1000/- and any amount thereafter; Repurchase/Redemption - Rs. 500/- or the account balance of the investor, whichever is less SIP - Rs. 100/- and in multiples of Re. 1 thereafter [Minimum 6 installments] SWP - Rs. 200/- and any amount thereafter; STP - Rs. 500/- and any amount thereafter

Disclosure



Bandhan BSE Healthcare Index Fund

(An open ended scheme tracking BSE Healthcare Index)

This product is suitable for investors who are seeking*:

- To create wealth over a long term.
- Investment across equity & equity related instruments belonging to BSE Healthcare Index.

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

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

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Thank You

