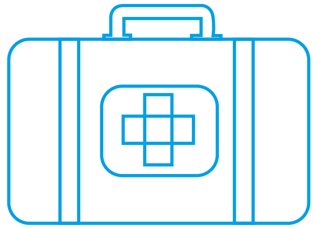
OWN A PIECE OF INDIA™

OFFERING A **5+1** SCHEME FROM TATA MUTUAL FUND



TATA INDIA PHARMA & HEALTHCARE FUND

(An Open Ended Pharma And Healthcare Services Sector Scheme)

NEW FUND OFFER OPENS ON: 04 DECEMBER, 2015

NEW FUND OFFER CLOSES ON: 18 DECEMBER, 2015

US Generics – A Key Growth Driver

We believe Indian companies have significant scope to bridge the gap between their value share (12%) and volume share (22%) in the US generics market (USD 50b) over the next five years. *(Source: Motilal Oswal Securities Ltd (MOSL)*

Complex Generics – An Important Opportunity

Over the last five years, Indian companies have directed their R&D efforts towards building pipeline in complex generic products. Complex generics include areas like transdermals, inhalational products, injectables, dermatology, etc, which together account for almost 50% of the US generics market value, with 6-8 players in the market, currently (against 15+ in commoditized products). Product development in these areas takes long and is expensive, implying high entry barriers and faster growth prospects (2x industry growth). As these complex generic products get materialized over the next 3-5 years, we expect higher revenue/Abbreviated New Drug Approach (ANDA) and better profitability for companies that are well-positioned.

Domestic Pharma – An Attractive Long Term Opportunity

Domestic business has been a key source of profitability for Indian companies, generating higher share of profits than revenue contribution. We expect the Indian pharmaceuticals market to remain one of the fastest growing globally (after China) at 12-14% per year over the medium term. Favorable macro environment, and rising income levels and awareness would remain the structural pillars of growth. Chronic/ Lifestyle diseases is a long term trend in India and hence a big opportunity for the pharma industry.

Rest Of The World (RoW) – An Attractive Space

From Indian companies' standpoint, the branded formulations markets provide a lucrative growth opportunity, with the following key attributes:

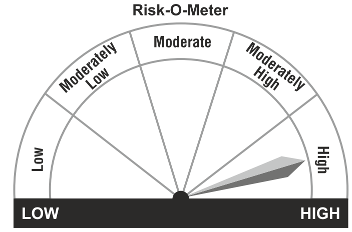
- Market dynamics similar to their home country and emphasis on brand-building and increased reach to physicians.
- Distribution channels in most emerging markets are fragmented, and it takes time to establish sales relationships, acting as an entry barrier for new entrants.
- Regulatory requirements are less stringent, as existing United States Food & Drug Application (USFDA) compliant facilities can easily be made compliant to the standards prescribed.
- High out-of-pocket spending in most RoW markets, implying lower government interference through tender/insurance reimbursement. As a result, margins are typically strong.

This Product is suitable for investors who are seeking* long term capital appreciation and investment in equity/equity related instruments of the companies in

- Pharma & Healthcare sectors in India through Tata India Pharma & Healthcare Fund

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

Risk-O-Meter



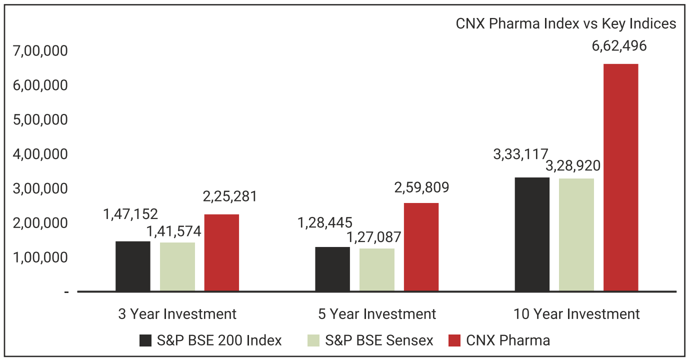
Investors understand that their principal will be at High risk

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

Pharma Sector : The Value Creator...

The CNX Pharma Index has been a value creator, beating the broader markets over 3, 5 and 10 year timeframe. The CNX Pharma Index has returned 20.8% compounded growth over the last 10 years v/s 12.8% by the broader market (CNX 100 index).

Value of Rs. 1 Lakh invested...



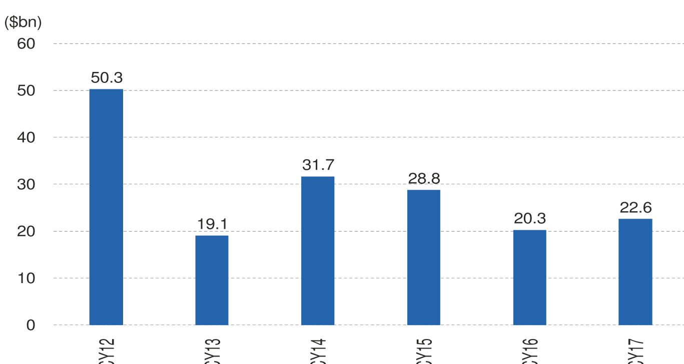
Notes: • As on 4th Nov, 2015 • Data Source : Index Websites. • Calculations by ICRA

Past performance may or may not be sustained in future.

US Generics: The Opportunity Is Still Big...

US generics have been at the forefront of growth for Indian companies, and in our view, would remain a prominent earnings driver. The US is the world's largest generics market (USD 50b) and Indian companies have increased their market share in US generics from 16% in 2008 to 22%+ now (total prescriptions – TRx), still leaving scope for further inroads. The US now accounts for 33% of overall revenues for Indian companies, having grown at 34% Compound Annual Growth Rate (CAGR) over the last five years (FY09-14), buoyed by patent expirations (including exclusivities) and steady market share gains on new products. *(Source: MOSL)*

US – Size Of Drugs Going Off Patent

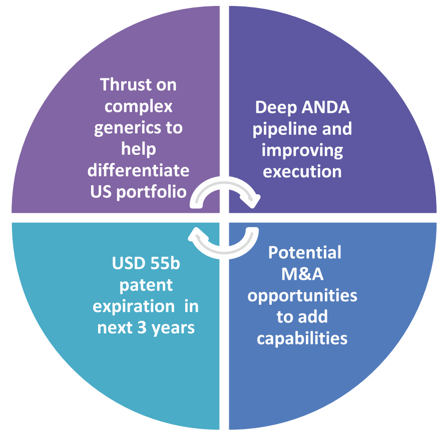


Source: Anand Rathi

US - Still Offers Lot Of Potential

- Indian players still have significant headroom for growth in the US (USD 50bn market), with their current volume share limited to 22% (12% value share).
- Their deep pipeline (approx 790 pending ANDAs) focused on differentiated products (50% of market) would fuel market share gain.
- Incremental growth would be led by (a) complex generic portfolio (mainly injectables), (b) participation in USD 50bn worth patent expirations, and (c) market share gains in existing portfolio. *(Source: MOSL)*

Lot Of Opportunity To Grow

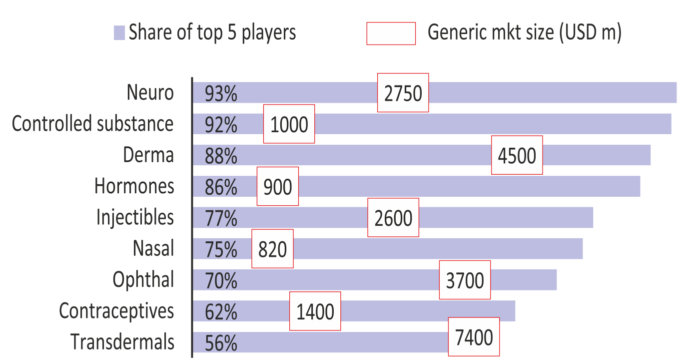


Source: MOSL

What Makes Complex Generics an attractive space

- Complex generics segments are attractive because of the low competitive intensity currently, which implies better pricing as well as ability to garner market share. This is evidenced by the fact that in most complex generics segments, the generics market share is concentrated among the top five players.
- We believe complex generics have significant entry barriers due to: Elongated product development timeline.
- Dedicated capacity requirement, necessitating upfront capex. High costs of clinical development, sometimes requiring clinical trials as well. This puts additional cost for developing the product (less than USD 5m vs less than USD1m for simple product).
- Strong distribution reach/relationship: Some complex generics require branding (like OC) or need to be distributed through the institutional channel (government tender, hospitals, etc).

The Complex Generic Space



Source: IMS Health, MOSL (Apr'14), subsequent data not available

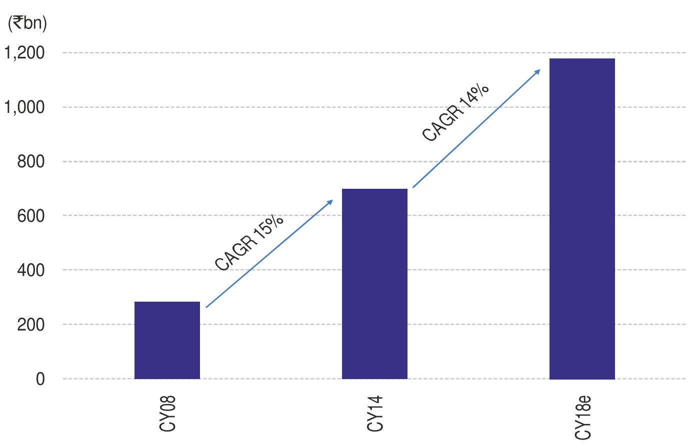
Investing In R&D

- In the last five years, leading Indian pharma companies have seen a 34% CAGR in R&D spend — it is now >10% of sales from approx 4-5% earlier.
- R&D spend relates to developing complex/specialty generics including (1) difficult formulation technologies (liposomes/nanoparticles/microspheres), (2) difficult to- synthesise/scale up (peptides, heparins, chiral chemistry), (3) differentiated delivery route (ophthalmic / injectables,), (4) drug-device combinations (inhalers / nasal / transdermals)
- Such products currently constitute 30-50% of Indian companies pending ANDA portfolio, which we believe would improve the quality of income going ahead.
- The government has also increased R&D weighted tax deduction to 200% from 150% in 2013. Besides EoUs / SEZs have been opened across states to benefit pharma exporters. *(Source: MOSL)*

Domestic Pharma Market

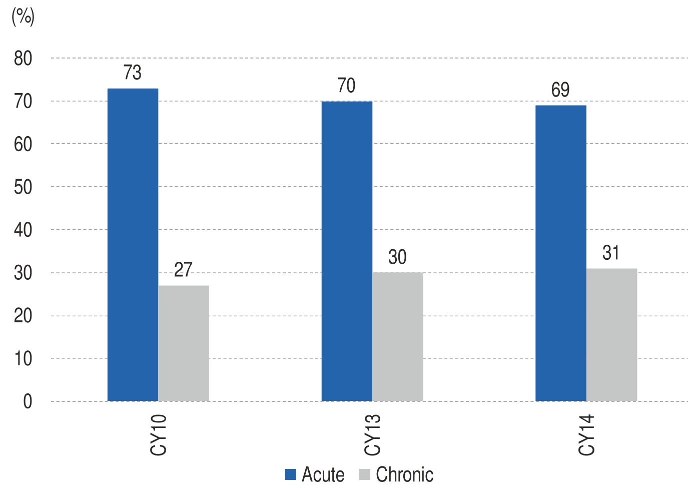
The branded formulations business in India has a structurally strong business model, a sustainable revenue stream from established brands, a growing population base, strong R&D capabilities and a high degree of profitability. We expect the steady growth momentum in the Indian pharmaceutical market (domestic formulations) to continue, pushed up by the rising share of chronic categories in lifestyle disorders, mounting per-capita income, rising share of medical expenditure in consumer spending and volume growth. The key growth driver would be the increasing incidence of chronic diseases.

Growth in the Indian Pharma Sector



e= Estimate. Source: Anand Rathi

Acute Chronic Split



Source: Anand Rathi

Rest Of The World Offers High Potential

From Indian companies' standpoint, the branded formulations markets provide a lucrative growth opportunity, with the following key attributes:

Market dynamics similar to their home country and emphasis on brand-building and increased reach to physicians. Distribution channels in most emerging markets are fragmented, and it takes time to establish sales relationships, acting as an entry barrier for new entrants.

Regulatory requirements are less stringent, as existing USFDA compliant facilities can easily be made compliant to the standards prescribed.

High out-of-pocket spending in most RoW markets, implying lower government interference through tender/insurance reimbursement. As a result, margins are typically strong.

Source: Anand Rathi

Distributed by:

Disclaimer: *Data / Views given in this document are based on the information obtained from various sources. There is no assurance that the Pharma & Healthcare sector will perform as per the expectations/projections given. Uncertain future events may have an adverse impact on the Pharma & Healthcare sector.*

OWN A PIECE OF INDIA™

OFFERING A **5+1** SCHEME FROM TATA MUTUAL FUND

TATA BANKING & FINANCIAL SERVICES FUND
(An Open Ended Banking & Financial Services Sector Scheme)

TATA INDIA CONSUMER FUND
(An Open Ended Consumption Oriented Sector Scheme)

TATA DIGITAL INDIA FUND
(An Open Ended Information Technology Sector Scheme)

TATA INDIA PHARMA & HEALTHCARE FUND
(An Open Ended Pharma And Healthcare Services Sector Scheme)

TATA RESOURCES & ENERGY FUND
(An Open Ended Resources And Energy Sector Scheme)

TATA INFRASTRUCTURE FUND#
(An Open Ended Equity Scheme)

NEW FUND OFFER OPENS ON:
04 DECEMBER, 2015

NEW FUND OFFER CLOSES ON:
18 DECEMBER, 2015

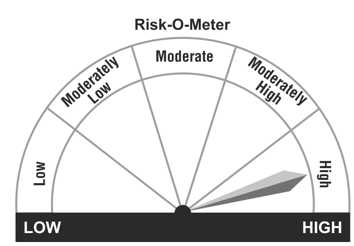
#EXISTING SCHEME AVAILABLE FOR SUBSCRIPTION ON ALL BUSINESS DAYS AT NAV BASED PRICE

TATA mutual fund

These Products are suitable for investors who are seeking* long term capital appreciation and investment in equity/equity related instruments of the companies in

- Banking and Financial Services sector in India through Tata Banking & Financial Services Fund
- Consumption Oriented sectors in India through Tata India Consumer Fund
- Information Technology sector in India through Tata Digital India Fund
- Pharma & Healthcare sectors in India through Tata India Pharma & Healthcare Fund
- Resources & Energy sectors in India through Tata Resources & Energy Fund
- Infrastructure sector in India through Tata Infrastructure Fund

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



Investors understand that their principal will be at High risk

www.ownapieceofindia.co.in

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