

# Embrace the Techvolution

Invest in the Potential of the Future

## HDFC Technology Fund

(An open-ended equity scheme investing in Technology & Technology related companies)

Refer product labelling & riskometer on page 22

Refer disclaimer on page 23

## Artificial Intelligence

Headwind or Tailwind  
for Indian IT?

## H-1B Visa Restrictions

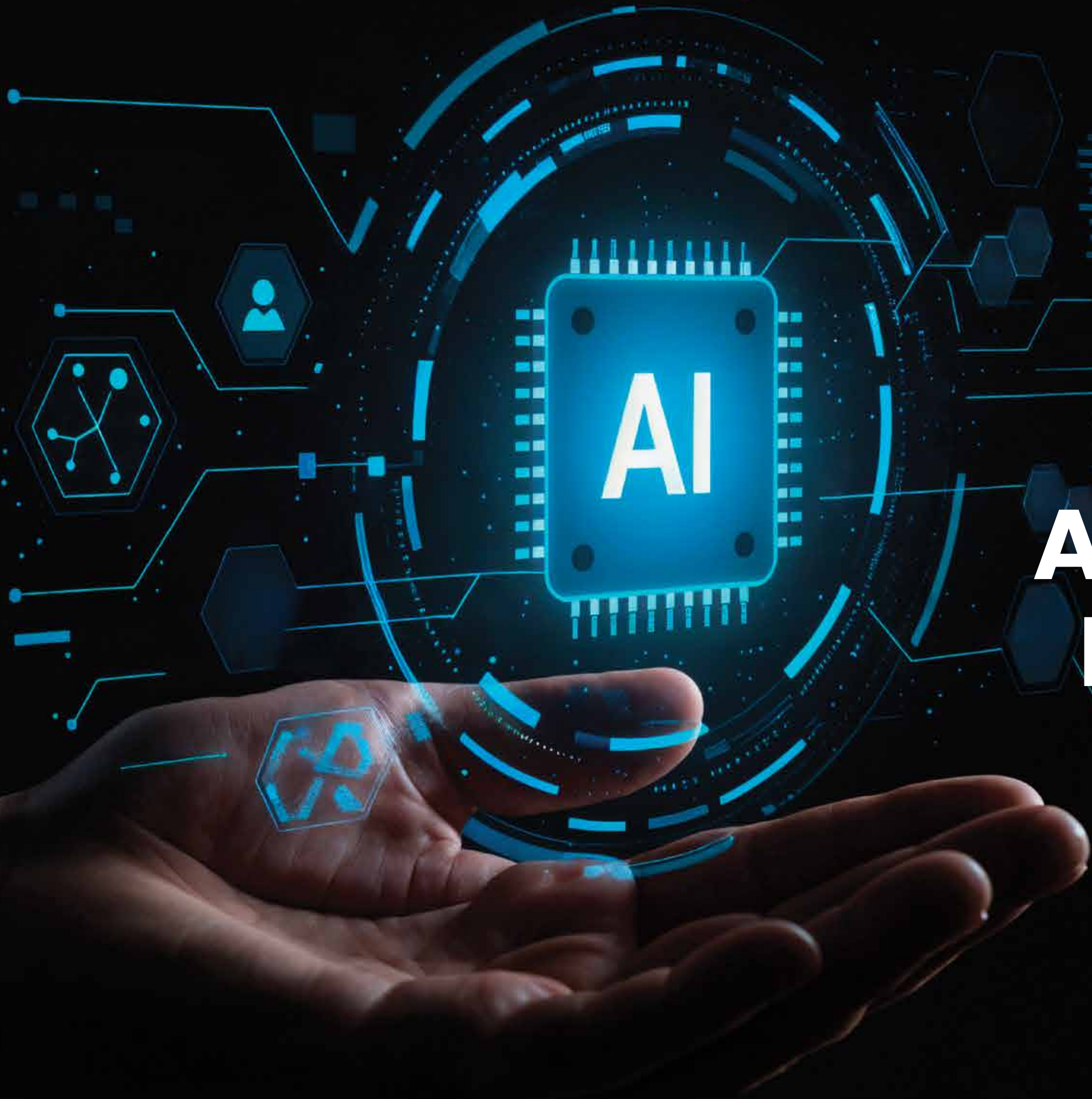
Impact on Operating Model?

## Current Slowdown

Structural or Cyclical?

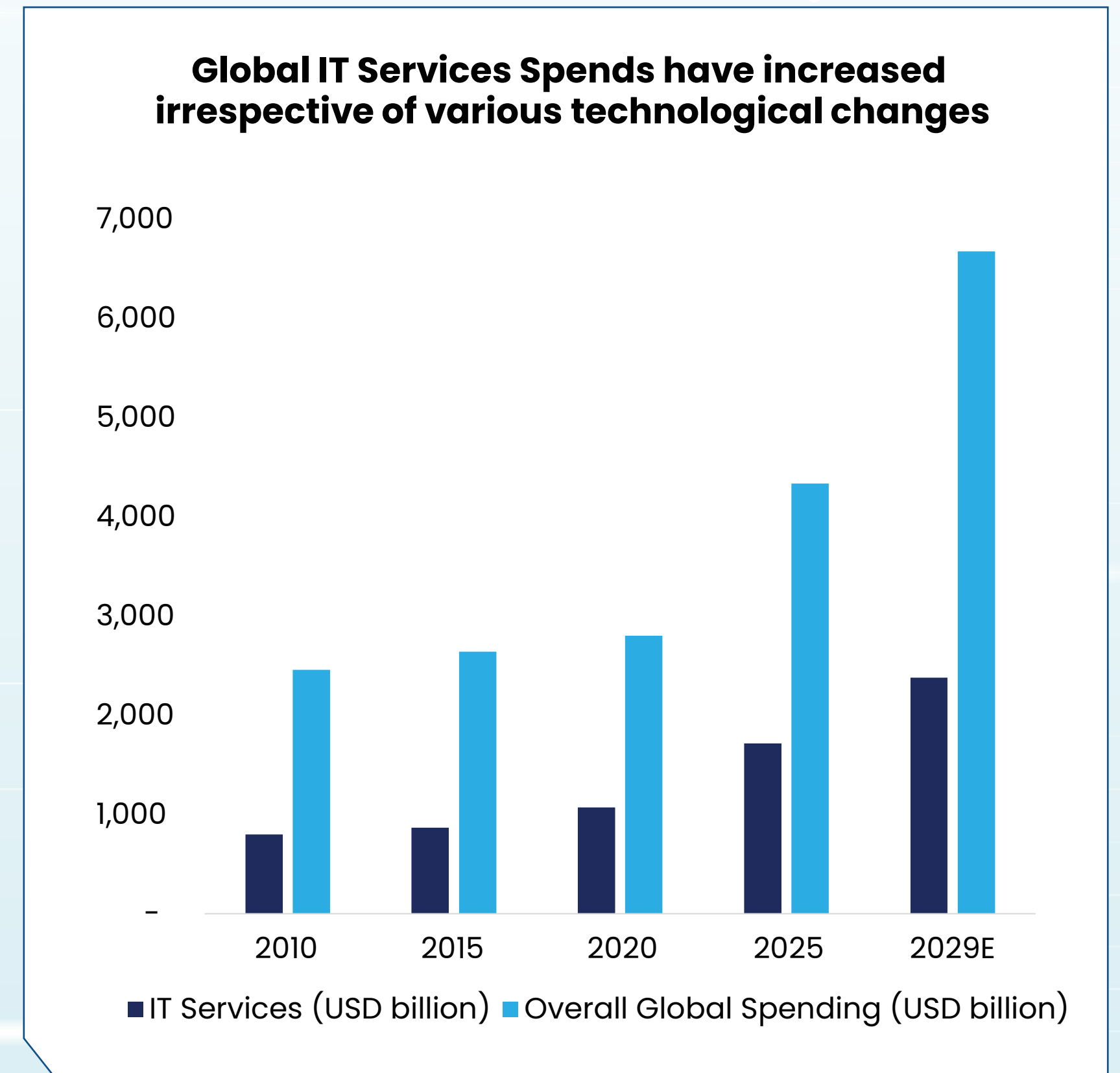
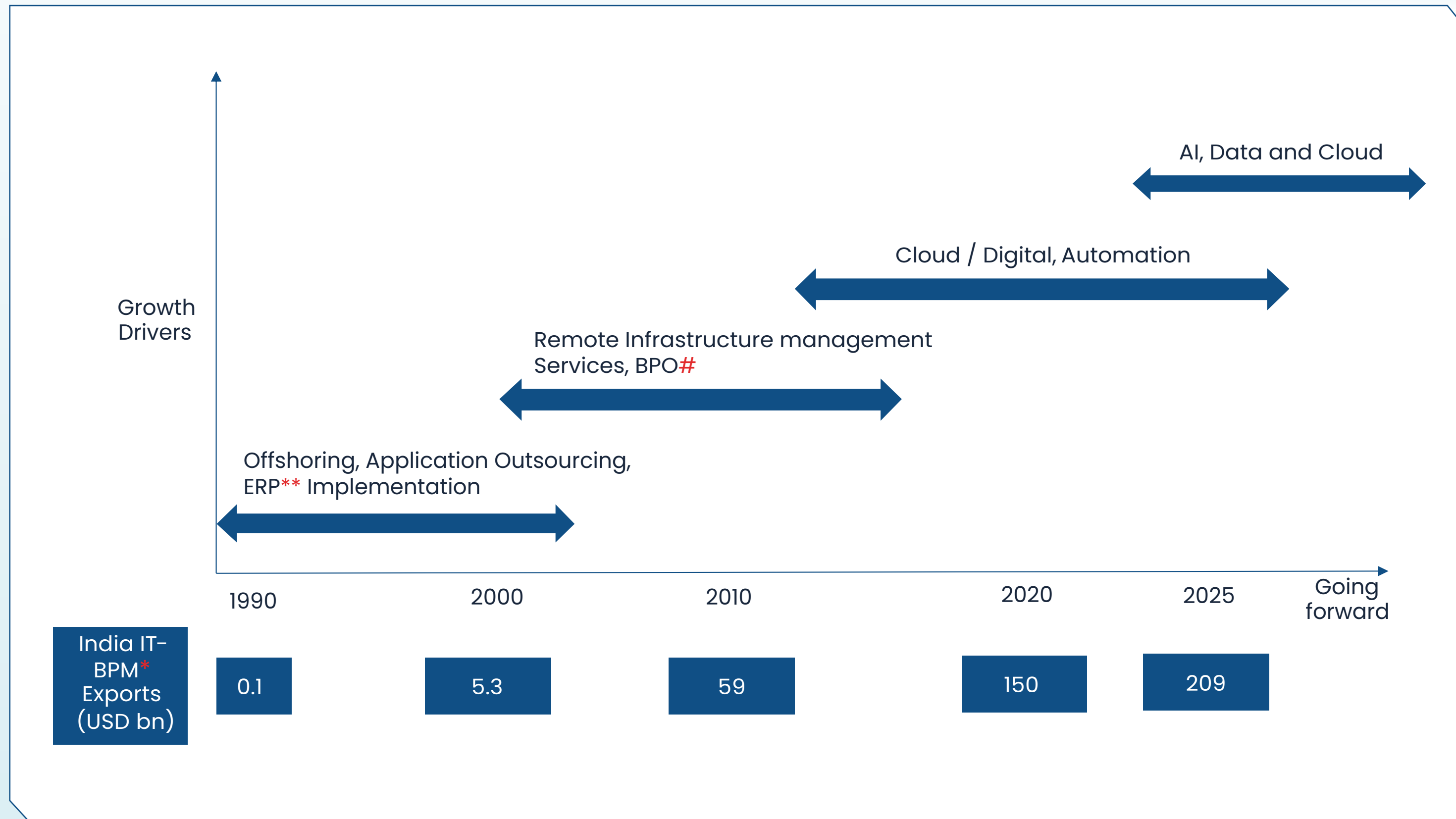
## India Internet Services

Is there still room for further  
penetration?



# Artificial Intelligence – Headwind or Tailwind for Indian IT?

# Increase in Global Technology Spends has been a Secular Trend



**Overall technology spends, as well as IT Services spends, have grown over the long term despite new technology changes which bring in efficiency**

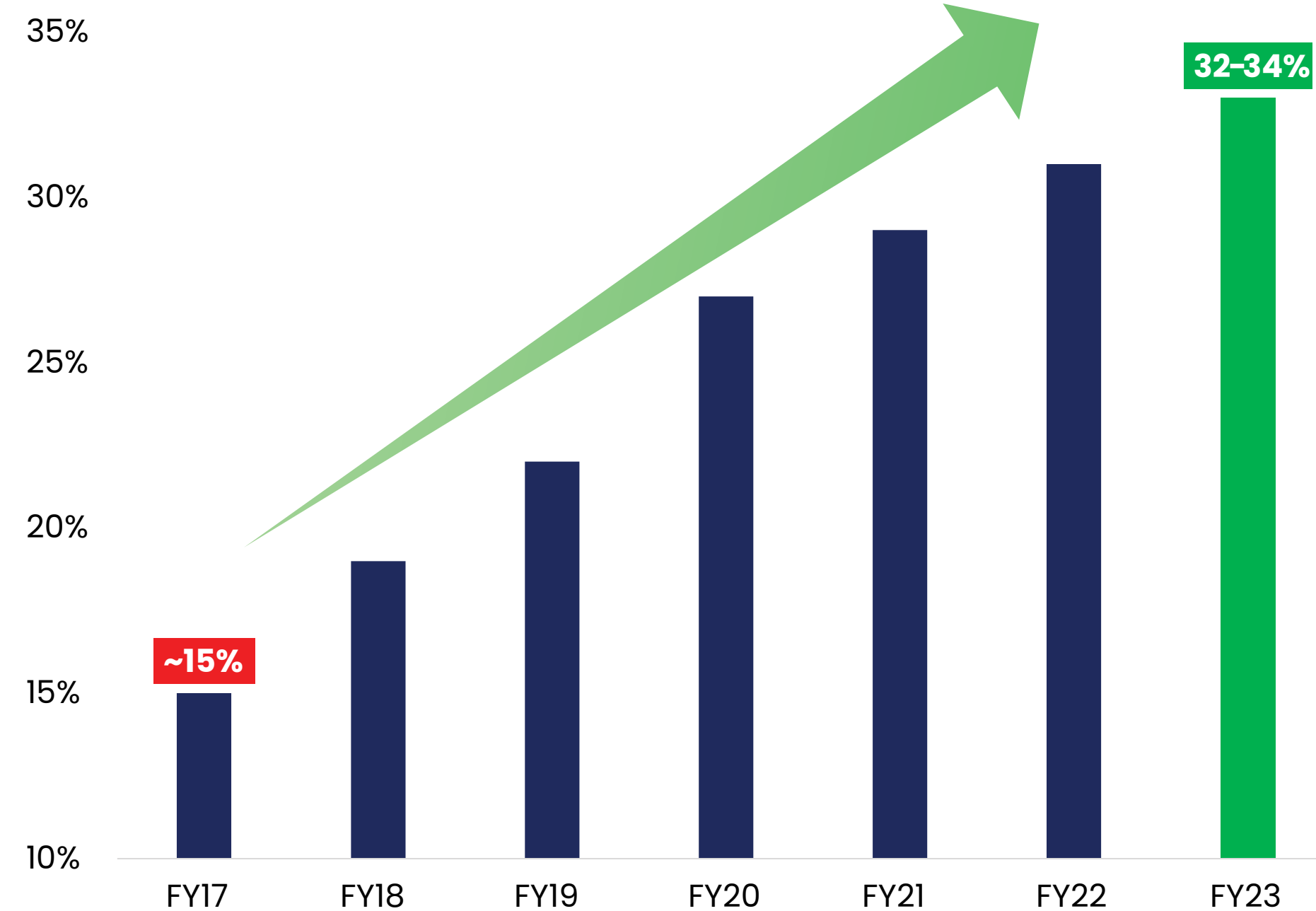
Source: NASSCOM, Kotak Institutional Equities, Industry reports. \*BPM: Business Process Management, \*\*ERP: Enterprise Resource Planning, #BPO: Business Process Outsourcing

For disclaimer refer slide 23

# Indian IT Services Firms adapt to New Technologies

Historically, Indian IT Services Companies have adapted well to new tech/business models through partnerships and employee reskilling

## Digital as % of Revenues (Indian IT Companies)



Source: Kotak Institutional Equities, NASSCOM  
For disclaimer refer slide 23

## Partnerships of Indian IT Services Companies with AI Native Platforms

Large Cap IT Services Company 1	OpenAI, AMD
Large Cap IT Services Company 2	Harness, Anthropic, Cursor, Cognition
Large Cap IT Services Company 3	Google Cloud, OpenAI

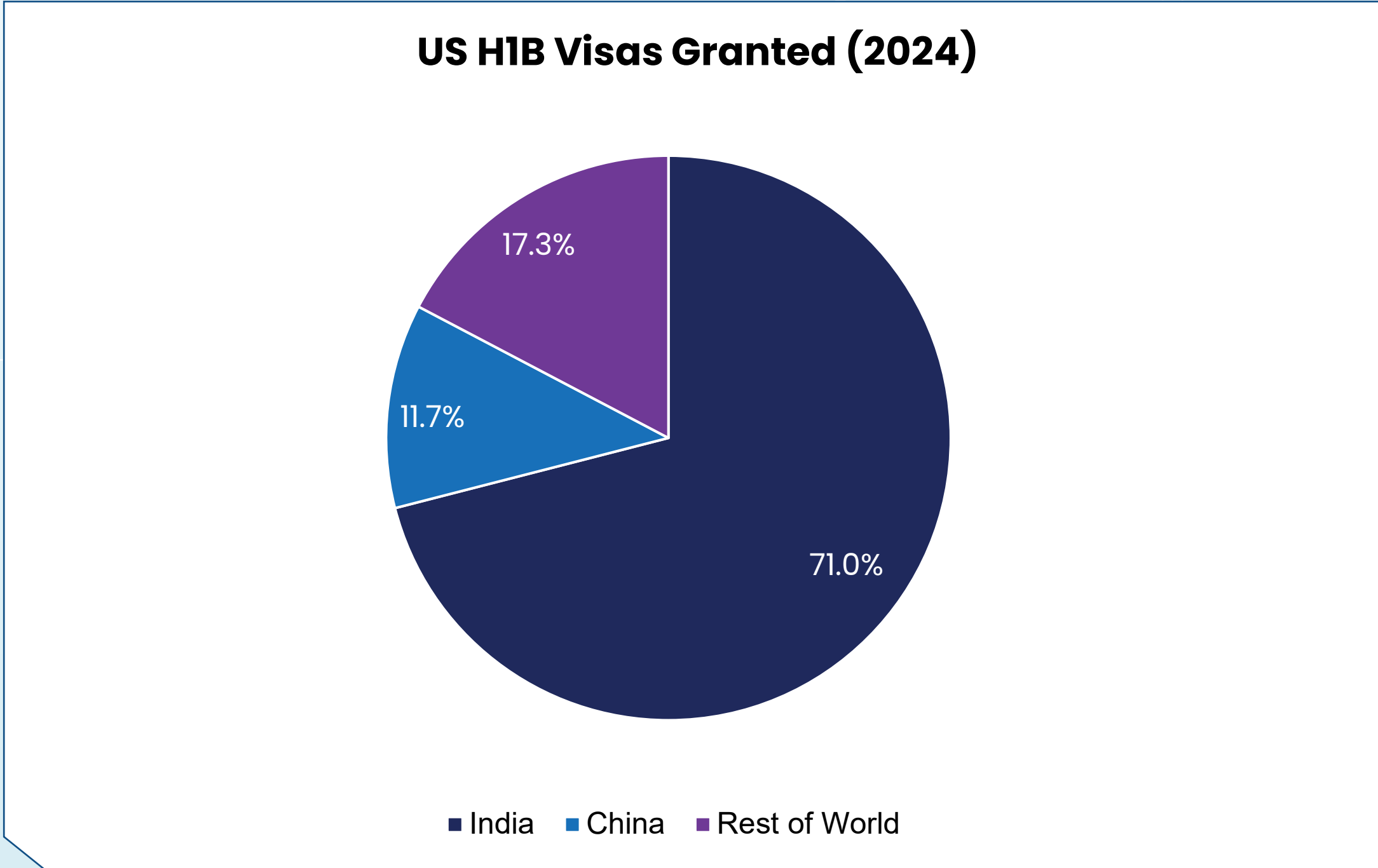
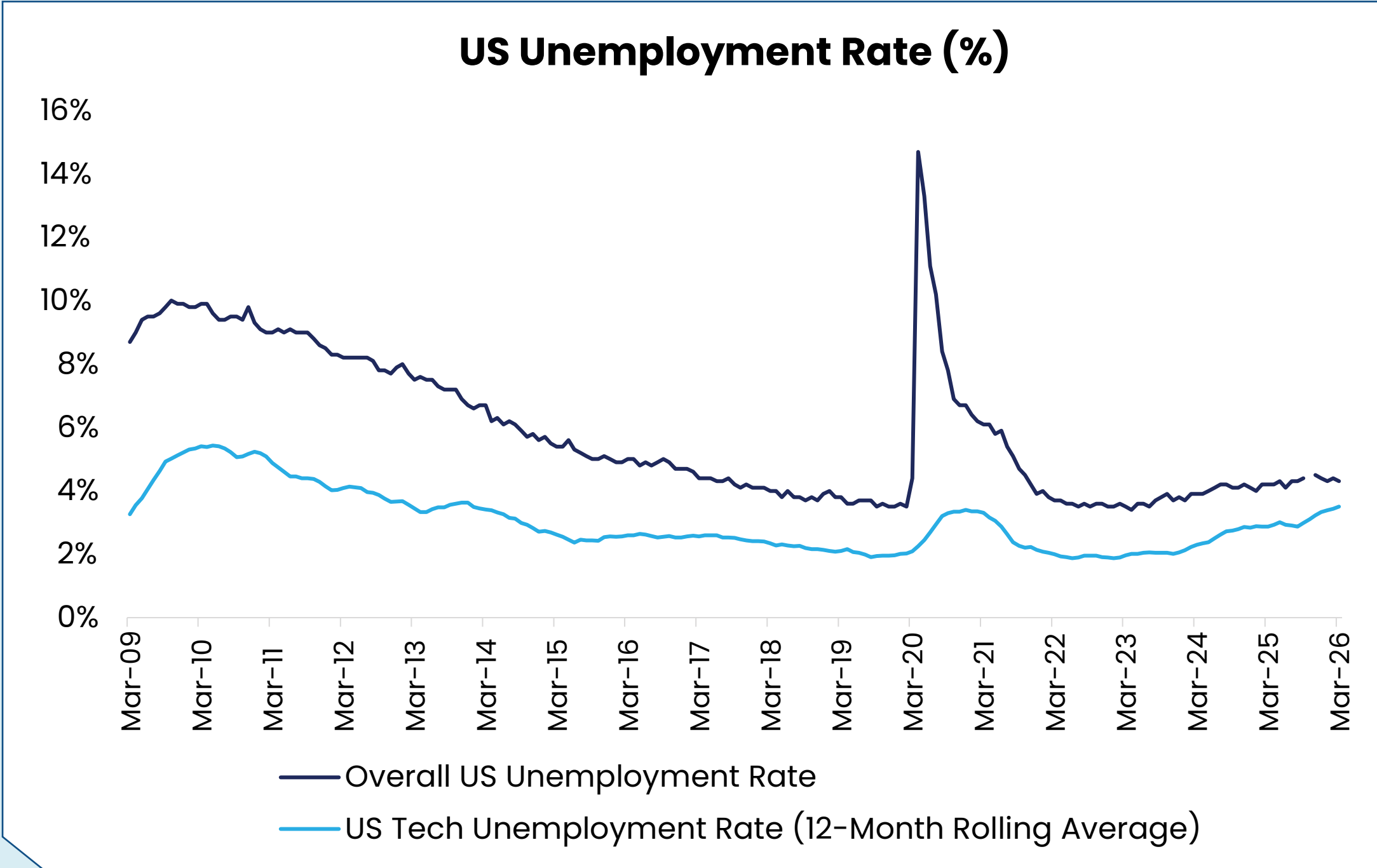
## AI Services for a Sample of Indian IT Services Companies (As a % of Revenues)

IT Services Companies	Sep-25	Dec-25	Mar-26
Large Cap IT Services Company 1	5.0%	6.0%	7.5%
Large Cap IT Services Company 2	Did not start declaring	5.5%	Yet to be declared
Large Cap IT Services Company 3	3.3%	3.8%	Yet to be declared

# Tech Talent remains scarce in the US

Tech unemployment rate in the US has remains lower than the overall unemployment rate → An indicator of high demand

Indians account for ~71% of H1B visas (skilled immigrant visa) granted by the US



Source: : Kotak Institutional Equities, US Bureau of Labour Statistics, USCIS  
 For disclaimer refer slide 23

# H-1B Visa Restrictions – Impact on Operating Model?

## Indian Workforce is highly skilled

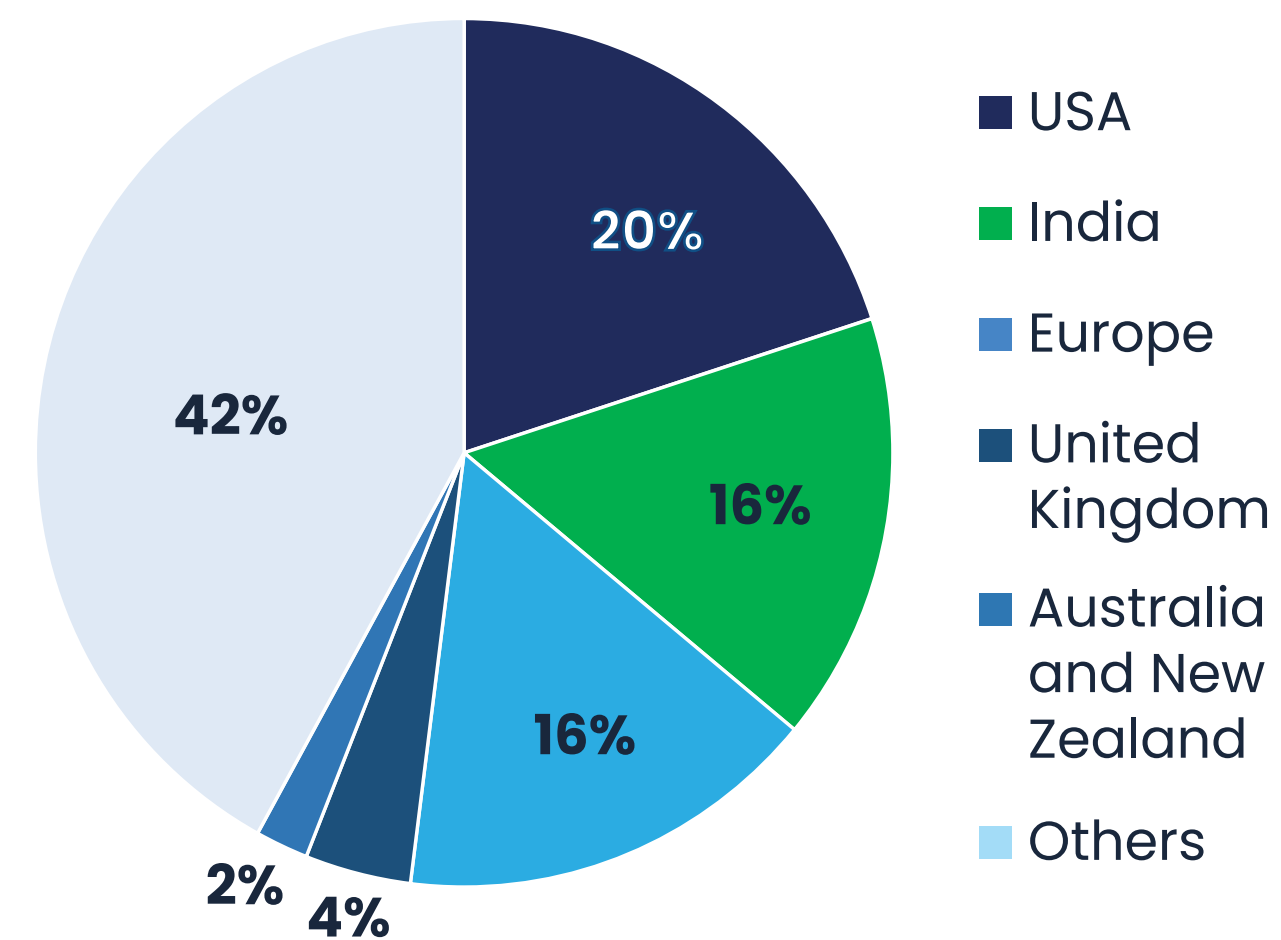
One of the top in terms of AI skills penetration	2nd largest in terms of *AI/ML BDA talent pool, globally	3rd globally, in terms of installed supply of Cloud professionals.
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Since 2017, Indian IT companies have increased local hiring in the US, including campus hiring. Today, 60%+ of US employees are locals vs 1/3rd in 2016!

### Way Forward

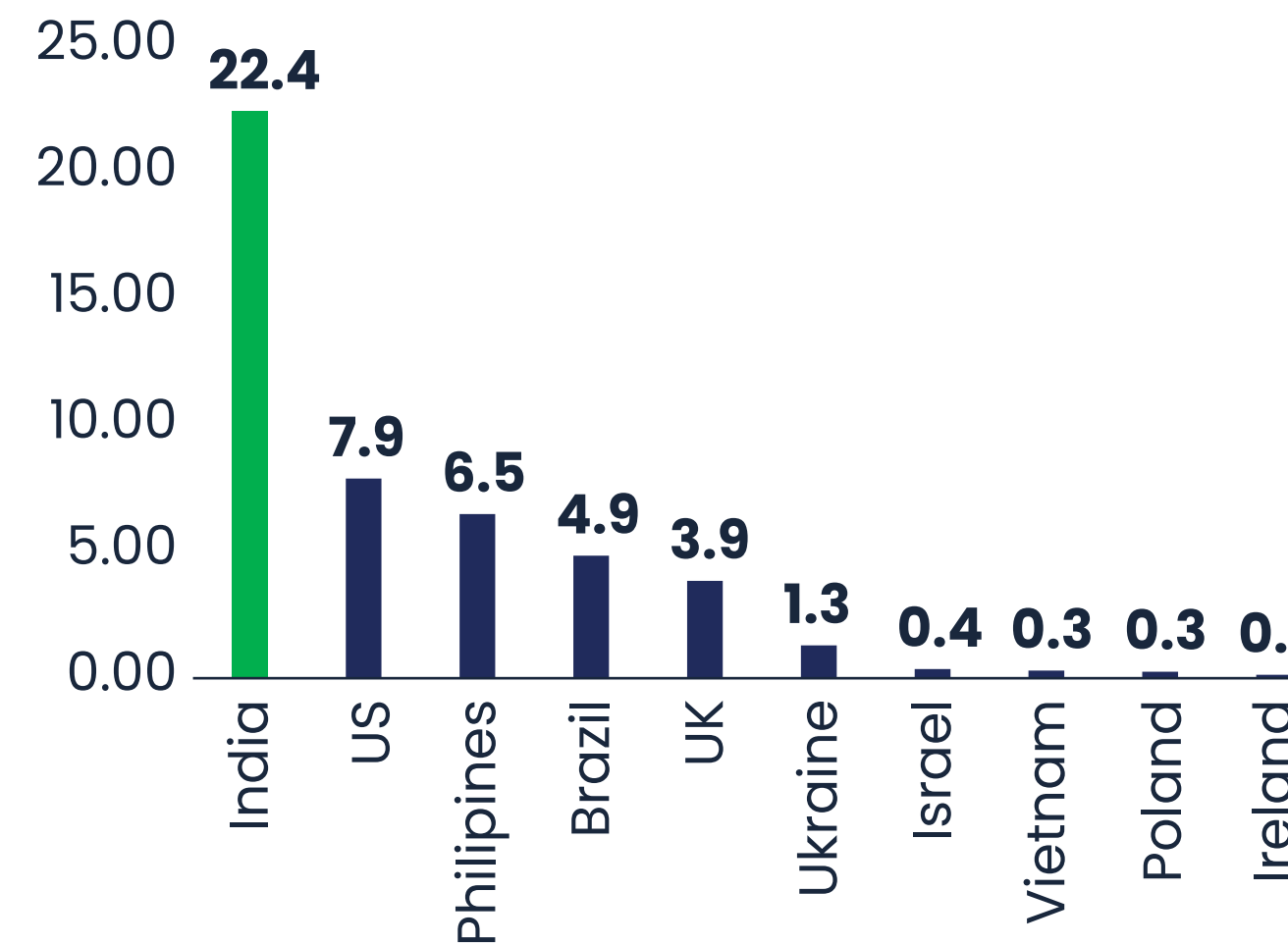
- a) Hiring more local talent in the US
- b) Nearshoring or offshoring to India or other destinations
- c) Pass on the new fee (partly or fully) to clients

### Country-wise Tech Talent Distribution (%)



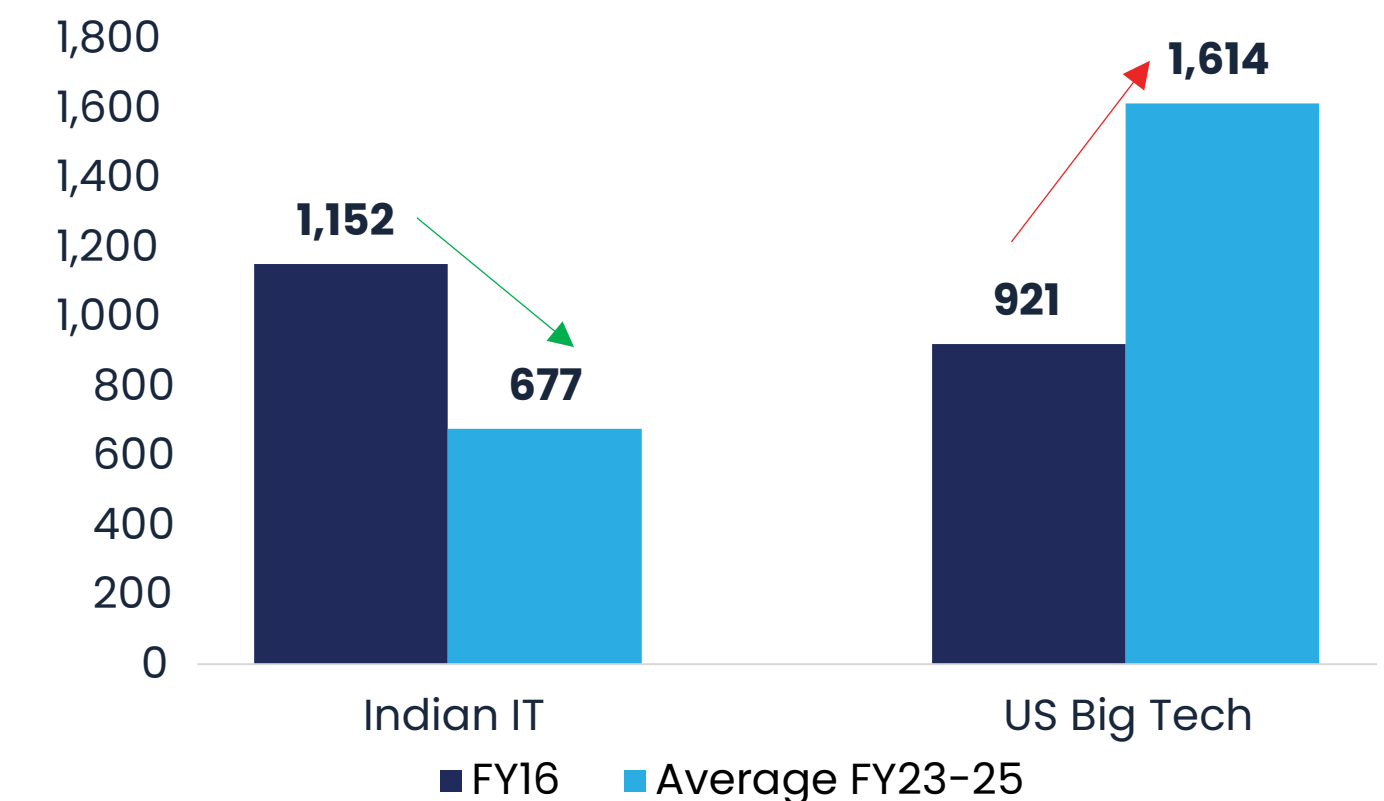
Note: Data excludes China

### Yearly STEM Graduates (in lakh)



Note: STEM is an abbreviation for Science, Technology, Engineering and Mathematics.

### Average New Applications approved for Indian IT Companies have fallen since 2016



Source: EY, CLSA, Nuvama Institutional Equities, Publicly Available Information; \*AI/ML: Artificial Intelligence/Machine Learning

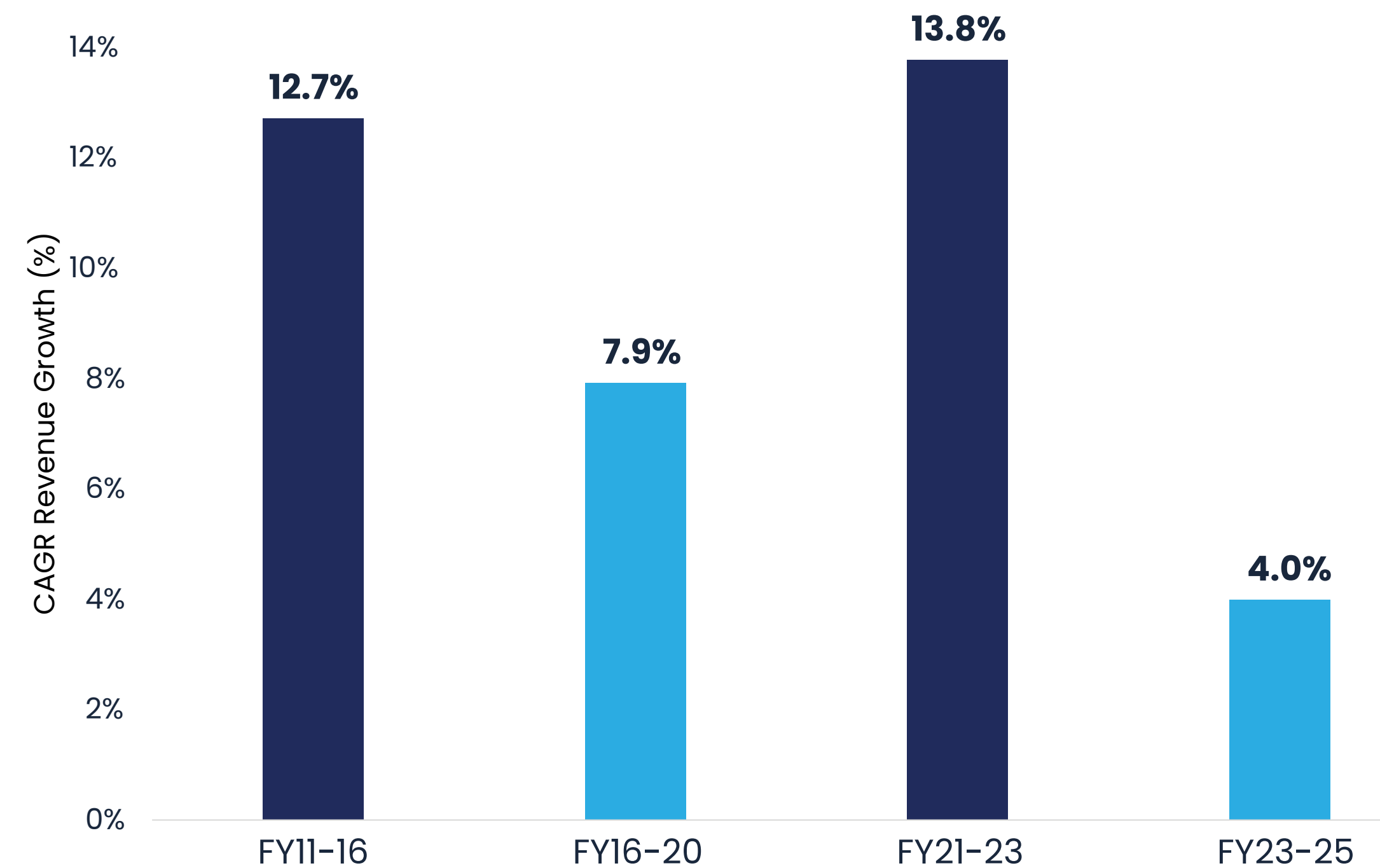
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# Current Slowdown – Structural or Cyclical?

IT Sector witnessed high growth in exports between FY21 and FY23 due to higher technology spends during the pandemic

Since FY24: Growth in exports has remained subdued due to normalization of spends, concerns about potential slowdown of global economy, and early stages of AI adoption

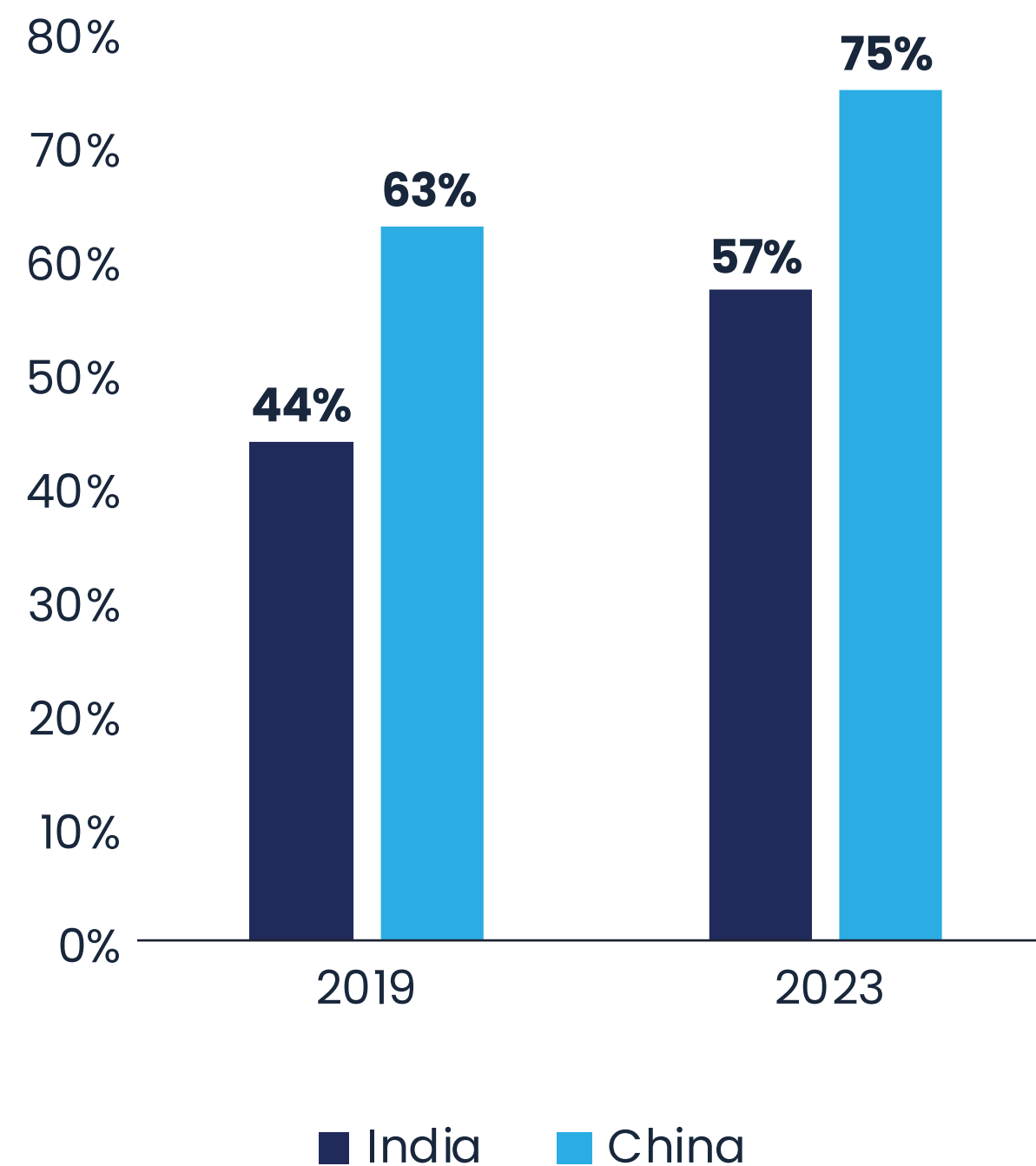
## Indian IT Business Process Management (BPM) Exports has seen multiple upcycles and downcycles



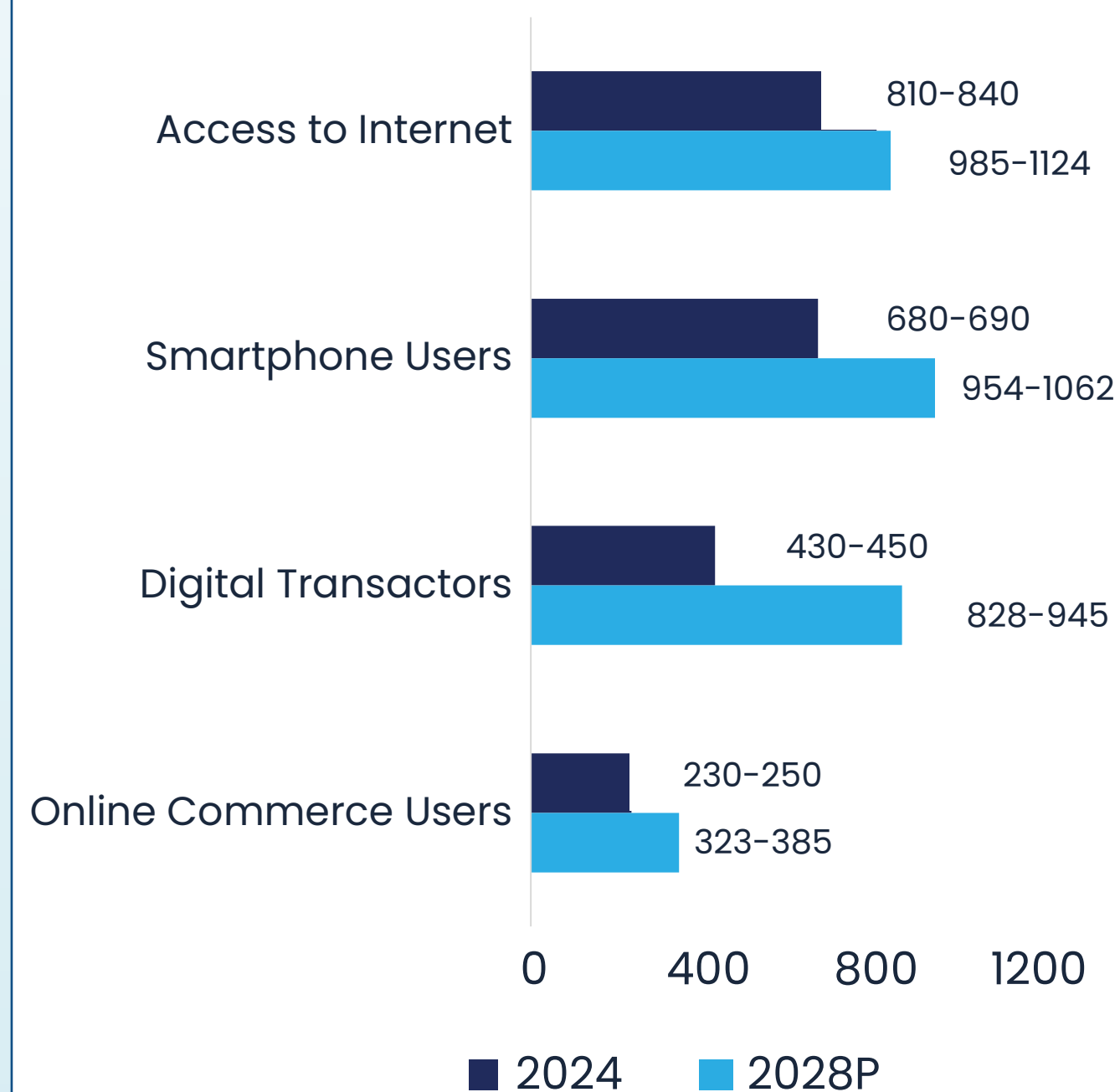
Source: National Association of Software and Service Companies (NASSCOM)  
For disclaimer refer slide 23

# Digitalization in India – Long Runway for Growth

## India's Internet Penetration has a long way to go

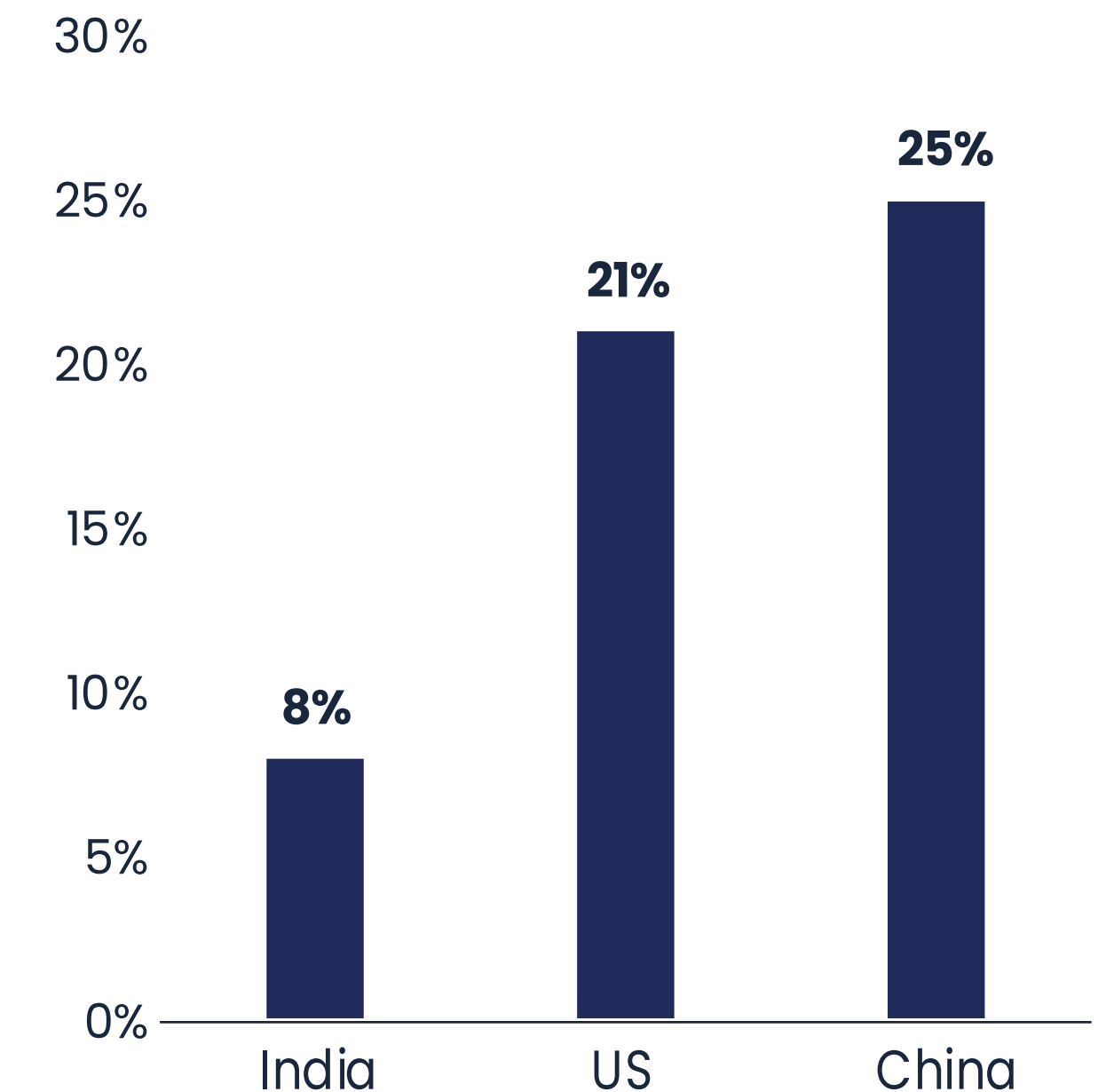


## A large section of people with access to internet are still untapped by online businesses



## E-commerce is now >20% of Total Retail Sales in US and China

E-commerce Penetration in Total Retail Sales



Source: Kotak Institutional Equities, IBEF, Urban Company Ltd. DRHP

For disclaimer refer slide 23

# Below-Average Valuations and Superior Dividend Yield



MUTUAL FUND

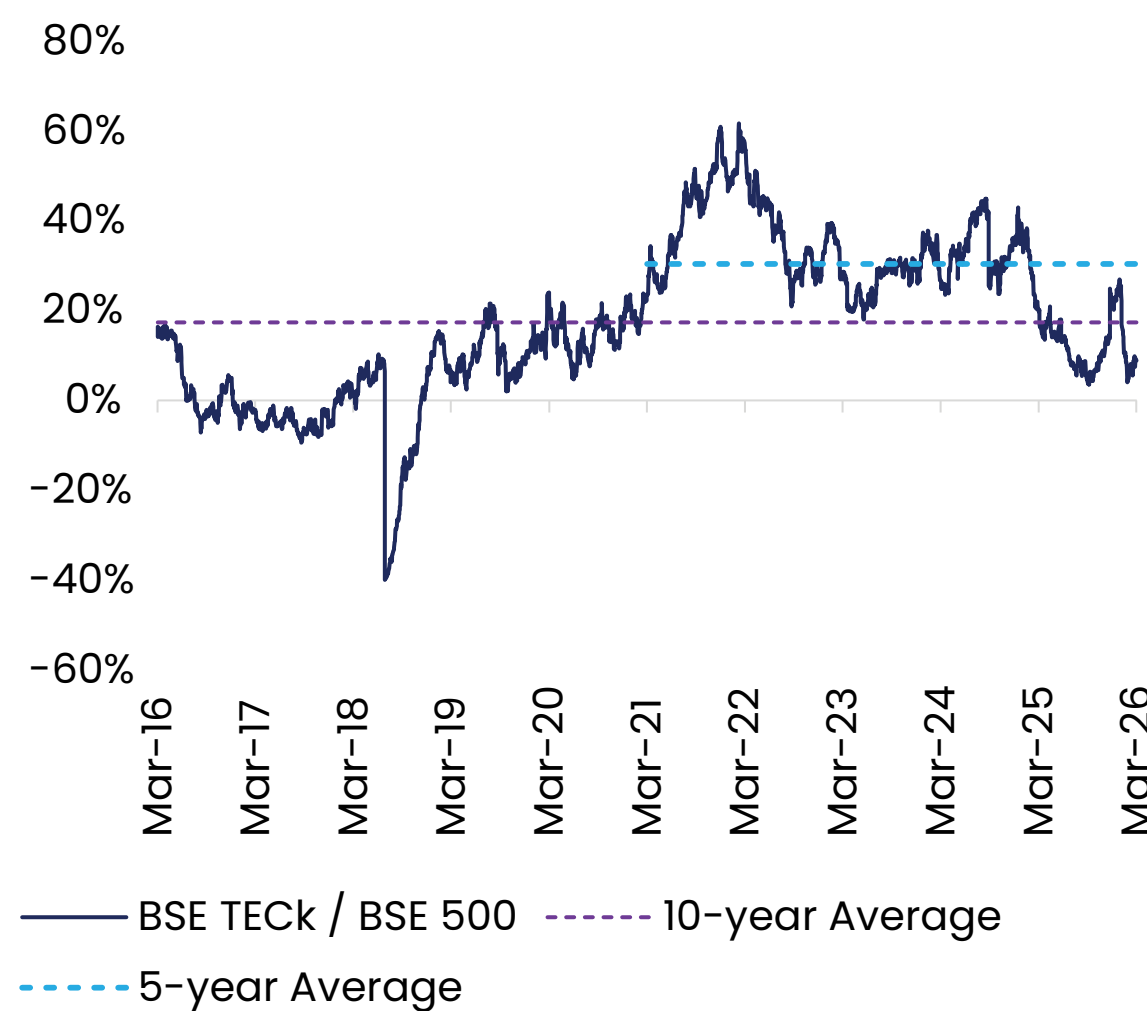
BHAROSA APNO KA

### Valuations-BSE TECK Index vs Long-Term Averages



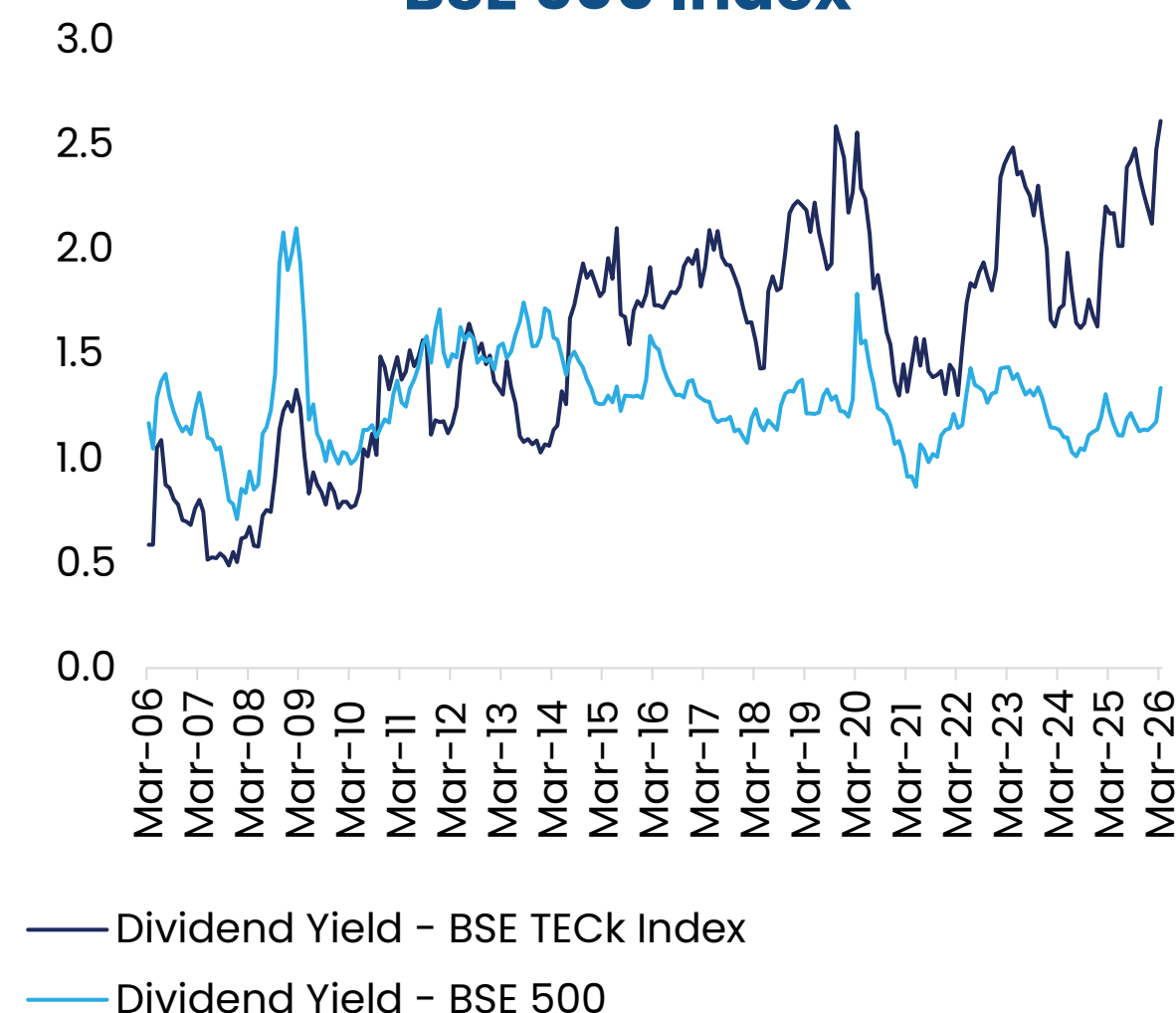
**1) Valuations of BSE TECK Index stand lower than its 10-year and 5-year average**

### Premium / Discount of BSE TECK Index to BSE 500



**2) Premium of BSE TECK Index over BSE 500 Index stands lower than its 10-year and 5-year average**

### Dividend Yield-BSE TECK Index vs BSE 500 Index



**3) Dividend yield of BSE TECK Index has remained superior to BSE 500 Index**

Source: Kotak Institutional Equities, Bloomberg  
 For disclaimer refer slide 23

# Why invest in HDFC Technology Fund?



**Increasing tech intensity is a secular trend, across markets and industries**



**Indian IT – Consistent market share gainer**

- ▶ Has gained scale / evolved across tech cycles
- ▶ Talent is India's biggest moat in tech world



**Digitalization in India has long runway for potential growth**



**Good historical growth, strong return ratios, superior dividend yield at reasonable valuation**

About  
**HDFC Technology Fund**

## Core Portfolio

**Aim to invest core of the portfolio (> 80%) in stocks in technology & technology related companies within the basic industries like**

- IT services, software, consulting, and outsourcing companies etc
- IT products and hardware including computers, electronic components
- Internet companies and internet enabled services
- Infrastructure providers and Telecommunications
- Media and information services
- Data and data solutions providers

## Multi-Cap Strategy

**Technology space offers depth and diversity – The Scheme would invest across segments and market capitalization**

## Stock Selection: Bottom-up Approach

**Focus on:**

- Industry leaders and disruptors with competitive moats
- Market share gainers with potential for re-rating and higher compounding
- Reasonable valuations

Top 10 Constituents	
Company	% to Net Assets
Infosys Limited	15.14%
Bharti Airtel Ltd.	15.05%
Tata Consultancy Services Ltd.	11.42%
HCL Technologies Ltd.	8.99%
Mphasis Limited.	5.20%
Tech Mahindra Ltd.	4.99%
INFO EDGE (INDIA) LIMITED	4.12%
Eternal Limited	3.86%
Firstsource Solutions Ltd.	3.37%
Zensar Technologies Ltd.	3.15%

Key Portfolio Characteristics	
Number of Stocks	28
Top 5 Equity and Equity-related holdings (%)*	55.80%
Total Equity and Equity-related Holdings (%)*	99.16%
Cash, Cash Equivalents and Net Current Assets (%)*	0.84%
AUM (in ₹ crore)	1,264
Portfolio Turnover Ratio <sup>\$^</sup>	
Equity Turnover	10.30%
Total Turnover	10.30%
Large Cap	60.2%
Mid Cap	19.4%
Small Cap	19.5%

As on March 31, 2026. \*As a % of Net Assets. \$Source: Monthly Portfolios, [www.niftyindices.com](http://www.niftyindices.com). ^Computed for the 3-yr period ended March 31, 2026. Based on month-end NAV. Total Turnover = Equity + Debt + Derivative. HDFC Mutual Fund/AMC is not guaranteeing any returns on investments made in this Fund. The above statements / analysis should not be construed as an investment advice or a research report or a recommendation to buy or sell any security covered under the respective sector/s. In view of the individual circumstances and risk profile, each investor is advised to consult his / her professional advisor before making a decision to invest in the Scheme. For complete portfolio details, please refer to [www.hdfcfund.com](http://www.hdfcfund.com).

# FY Performance – BSE TEcK Index and BSE 500 Index

Financial Year	BSE TEcK Index (TRI)	BSE 500 Index (TRI)	Out/Underperformance vs BSE 500 Index
FY2008	-14%	25%	-39%
FY2009	-38%	-42%	4%
FY2010	79%	99%	-19%
FY2011	19%	9%	11%
FY2012	-7%	-8%	1%
FY2013	11%	7%	5%
FY2014	27%	19%	8%
FY2015	30%	35%	-5%
FY2016	-1%	-6%	6%
FY2017	-4%	26%	-29%
FY2018	15%	13%	2%
FY2019	19%	10%	10%
FY2020	-14%	-26%	12%
FY2021	89%	79%	10%
FY2022	38%	22%	16%
FY2023	-19%	-1%	-18%
FY2024	27%	40%	-14%
FY2025	10%	6%	4%
FY2026	-13%	-3%	-10%

**BSE TEcK Index has outperformed BSE 500 Index in 12 out of 19 financial years!**

Source: [www.bseindia.com](http://www.bseindia.com)

**Past performance may / may not be sustained in the future and is not a guarantee of any future returns.**

HDFC AMC/Mutual Fund is not guaranteeing or promising or forecasting any returns.

For disclaimer refer slide 23

# Returns – HDFC Technology Fund



Scheme Name	Last 1 year*	Since inception*
HDFC Technology Fund	-17.49%	2.17%
Benchmark		
BSE TECK Index (TRI)	<b>-13.43%</b>	<b>2.17%</b>
<b>Performance against the Benchmark</b>	<b>-4.06%</b>	<b>--</b>

\*Source: MFI Explorer, Bloomberg. Returns as on March 31, 2026. Inception Date of HDFC Technology Fund: September 08, 2023.

**Past performance may / may not be sustained in the future and is not a guarantee of any future returns.** HDFC Mutual Fund / AMC is not guaranteeing any returns on investments made in this Fund. In view of the individual circumstances and risk profile, each investor is advised to consult his / her professional advisor before making a decision to invest in the Scheme. Historical performance indications are not the reliable indicator for current or future performance. For complete performance details in SEBI prescribed format, refer to slide 31

For disclaimer refer slide 23

Risks	Mitigants
Dependence on global economic growth / macro variables	<ul style="list-style-type: none"> <li>➤ Value proposition of tech is evolving from costs / efficiency to revenue generation, making tech spends more sticky across economic cycles</li> <li>➤ Sharp currency moves impact near-term profitability. In the long term, this is usually passed on to customers</li> </ul>
High Employee turnover / war for talent	<ul style="list-style-type: none"> <li>➤ The scale of talent supply in India balances out the issue of employee turnover over the medium term</li> </ul>
Competitive intensity and / or technological disruption	<ul style="list-style-type: none"> <li>➤ Relatively strong moats such as long customer relationships, investments in (re)skilling talent should aid competitiveness and adaptability to technological evolutions</li> </ul>
Government regulations	<ul style="list-style-type: none"> <li>➤ Restrictions in global mobility (immigrant visas) and/or increase in immigrant wages could impact near term fundamentals. In the medium term, such restrictions or increase in costs lead to higher offshoring</li> </ul>
Concentration risk: The upper ceiling on investments made is in accordance with their weightage in the BSE TECK or 10% of the NAV of the scheme, whichever is higher	<ul style="list-style-type: none"> <li>➤ Fund will try to achieve diversification through various strategies such as multi-cap strategy</li> </ul>

## **Balakumar B**

*Fund Manager and Senior Equity Analyst*

- Balakumar has over 14 years of experience in equity research, consulting, application development
- He joined HDFC Asset Management Company Ltd in September 2021. Prior to that, has worked with Sanford C. Bernstein (India) Private Ltd as an Assistant Vice President
- Balakumar has done his B.Tech in IT from Coimbatore Institute of Technology, PGDM from IIM Calcutta, and is a qualified Chartered Financial Analyst

Particulars	HDFC Technology Fund
<b>Type of Scheme</b>	An open-ended equity scheme investing in Technology & Technology related companies
<b>Investment Objective</b>	To provide long-term capital appreciation by investing predominantly in equity and equity related securities of Technology & Technology related companies. <b>There is no assurance that the investment objective of the Scheme will be achieved.</b>
<b>Benchmark Index</b>	BSE TECK Index (TRI)
<b>Fund Manager \$</b>	Mr. Balakumar B
<b>Investment Plans</b>	<ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul>
<b>Investment Options</b>	<b>Under Each Plan:</b> Growth, Income Distribution cum Capital Withdrawal – Payout and Reinvestment of IDCW
<b>Minimum Application Amount</b>	<b>Purchase / Additional Purchase:</b> ₹ 100/- and any amount thereafter Note: Allotment of units will be done after deduction of applicable stamp duty and transaction charges, if any.
<b>Entry / Exit Load \$\$</b>	<p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>• In respect of each purchase/switch-in of units, an Exit load of 1% is payable if units are redeemed/switched-out within 30 days from the date of allotment.</li> <li>• No Exit Load is payable if units are redeemed / switched-out after 30 days from the date of allotment.</li> </ul>
<p><b>\$\$ EXIT LOAD:</b> (i) No Exit Load shall be levied for switching between Plans / Options within the Scheme. However, exit load will be applicable if the units are switched-out / redeemed from the Scheme within the exit load period from the initial date of purchase. (ii) Switch of investments between Plans under a Scheme having separate portfolios, will be subject to applicable exit load. (iii) No exit load will be levied on Bonus Units and Units allotted on IDCW Re-investment. (iv) The exit load levied on redemption/switch-out will be the load prevailing 1. In case of lumpsum transactions, on the date of allotment of units 2. In case of Systematic Transactions such as SIP, STP etc., on the date of registration / enrolment.</p>	

**\$ Fund Manager Overseas investment – Mr. Dhruv Muchhal**

For further details, refer SID and KIM available on [www.hdfcfund.com](http://www.hdfcfund.com) and at Investor Service Centres of HDFC Mutual Fund

For disclaimer refer slide 23

Under normal circumstances, the asset allocation (% of Net Assets) of the Scheme's portfolio will be as follows:

Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)
Equity and Equity related instruments of Technology & Technology related companies*	80	100
Equity and Equity related instruments of companies other than above	0	20
Units of REITs and InvITs	0	10
Debt securities, money market instruments and Fixed Income Derivatives	0	20
Units of Mutual Fund	0	20

\*Technology & Technology related companies include IT services, software, consulting, and outsourcing companies, IT products and hardware including computers, electronic components etc, Internet companies and internet enabled services including Fintech, e-retail/e-commerce, technology platforms, IoT (Internet of Things) and other digital service providers, Infrastructure providers and Telecommunications, including networking, wireless, and wire-line services, equipment, software and support, Media and information services, including the distribution of information and content providers, and Data and data solutions providers  
(For more details refer Investment Strategy in the Scheme Information Document on [www.hdfcfund.com](http://www.hdfcfund.com))

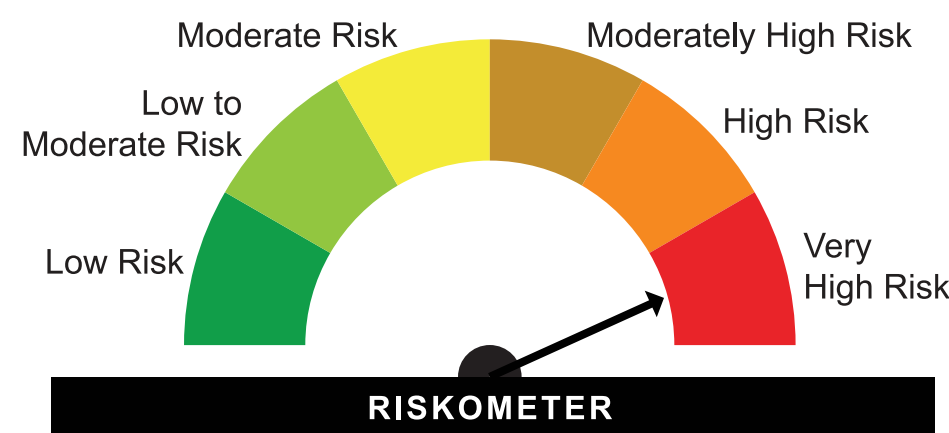
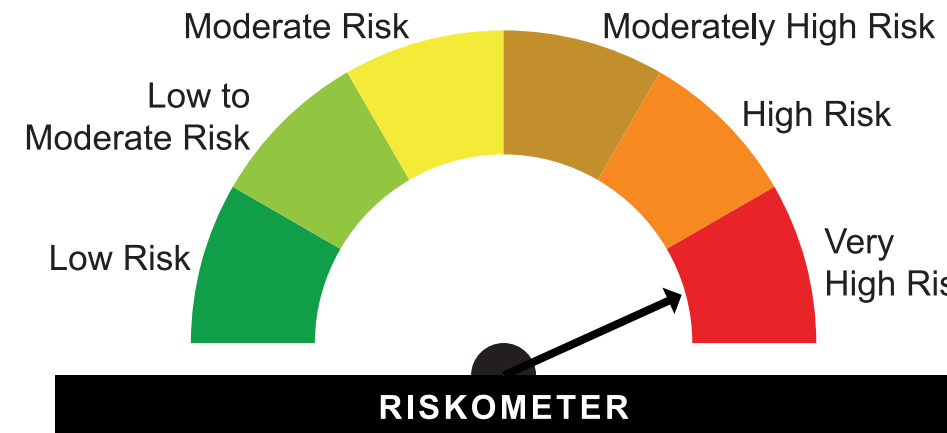
## Performance<sup>^</sup> – Regular Plan – Growth Option

NAV as at March 31, 2026 ₹10.566 (per unit)

Period	Scheme Returns (%)	Benchmark Returns (%) <sup>#</sup>	Additional Benchmark Returns (%) <sup>##</sup>	Value of investment of (₹) 10,000		
				Scheme (₹)	Benchmark (₹) <sup>#</sup>	Additional Benchmark (₹) <sup>##</sup>
Last 1 Year	-17.49	-13.43	-3.97	8,251	8,650	9,601
Since Inception <sup>*</sup>	2.17	2.17	5.88	10,566	10,565	11,576

**^Past performance may or may not be sustained in future and is not a guarantee of any future returns.** \*Inception date: September 08, 2023 <sup>#</sup>BSE Teck Index TRI <sup>##</sup>Nifty 50 Index (TRI). Returns greater than 1 year period are compounded annualized (CAGR). Different plans viz. Regular Plan and Direct Plan have a different expense structure. The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses / commission charged in the Regular Plan Load is not taken into consideration for computation of performance. The scheme is managed by Balakumar B (since September 08, 2023). The above returns are for Regular Plan – Growth Option. Returns are as on March 31, 2026.

Benchmark and Additional Benchmark performance is computed as on 30th March, 2026, since values for 31st March 2026 are not available.

<p><b>HDFC Technology Fund (An open-ended equity scheme investing in Technology &amp; technology related companies) is suitable for investors who are seeking*:</b></p>	<p><b>Riskometer#</b></p>	<p><b>Name of the Benchmark and Riskometer#</b></p>
<ul style="list-style-type: none"> <li>• To generate long-term capital appreciation</li> <li>• Investment predominantly in equity &amp; equity related instruments of Technology &amp; technology related companies</li> </ul>	 <p>The risk of the scheme is very high</p>	<p>BSE Teck Index (TRI)</p>  <p>The risk of the benchmark is very high</p>
<p>*Investors should consult their financial advisers, if in doubt about whether the product is suitable for them.</p> <p>#For latest riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. <a href="http://www.hdfcfund.com">www.hdfcfund.com</a></p>		

Scheme and Benchmark Riskometer as of 31<sup>st</sup> March 2026.

The Scheme being sectoral in nature carries higher risks versus diversified equity mutual funds on account of concentration and sector specific risks.

The presentation dated April 20, 2026 has been prepared by HDFC Asset Management Company Limited (HDFC AMC) based on internal data, publicly available information and other sources believed to be reliable. Any calculations made are approximations, meant as guidelines only, which you must confirm before relying on them. The information given is for general purposes only. Past performance may or may not be sustained in future. The current investment strategies are subject to change depending on market conditions. The statements are given in summary form and do not purport to be complete. The views / information provided do not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this information. The information/ data herein alone are not sufficient and should not be used for the development or implementation of an investment strategy. The statements contained herein may include statements of future expectations and other forward-looking statements that are based on our current views and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Stocks/Sectors referred in the presentation are illustrative and should not be construed as an investment advice or a research report or a recommended by HDFC Mutual Fund / AMC. HDFC Mutual Fund/AMC is not guaranteeing any returns on investments made in the Scheme(s). The data/statistics are given to explain general market trends in the securities market, it should not be construed as any research report/research recommendation. Neither HDFC AMC and HDFC Mutual Fund nor any person connected with them, accepts any liability arising from the use of this document. The recipient(s) before acting on any information herein should make his/her/their own investigation and seek appropriate professional advice and shall alone be fully responsible / liable for any decision taken on the basis of information contained herein. For complete portfolio/details refer to our website [www.hdfcfund.com](http://www.hdfcfund.com)

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

**Thank you!**