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POWERED BY *INDIA'S AUTO MOMENTUM*

HDFC NIFTY AUTO INDEX FUND

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HDFC Mutual Fund: SEBI Registration Number: MF/044/00/6

Auto Sector – Core to India's growth story

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20 LAKH CRORES

Size of India's Automobile Sector

Industry contributes 7% to India's GDP led by 2W and PV segment

MARKET LEADERSHIP

Rank 1 - 2W and 3W globally

Rank 3 – PV and CV globally

49%

Share in Manufacturing GDP

Largest contributor in Manufacturing space. Expansion in the sector will equally see uptick in upstream core industries

18%

Share of Auto components in Exports

Covers broad spectrum of products. With a CAGR growth of ~8.6% the sector is expected to reach $ 100 billion by 2030

30 MILLION

Jobs created

The sector supports 4 million Direct jobs and 26 million Indirect jobs. Sector is expected to provide higher job support with increased production and value chain expansion.

15%

GST collection

2X contribution to revenue compared to overall GDP growth makes the sector growth key for government

Auto sector's Increasing and Sizable contribution to the overall economy stands as a key determinant to achieving India's vision of USD 7 Trillion economy by 2030 and Viksit Bharat Mission by 2047

Source – SIAM (Society of Indian Automobile manufacturers) Report, Niti Aayog Report, PIB. Data as of FY25.
2W – 2 wheeler, PV – Passenger vehicle, CV – Commercial vehicle

Core Factors influencing Sector Expansion

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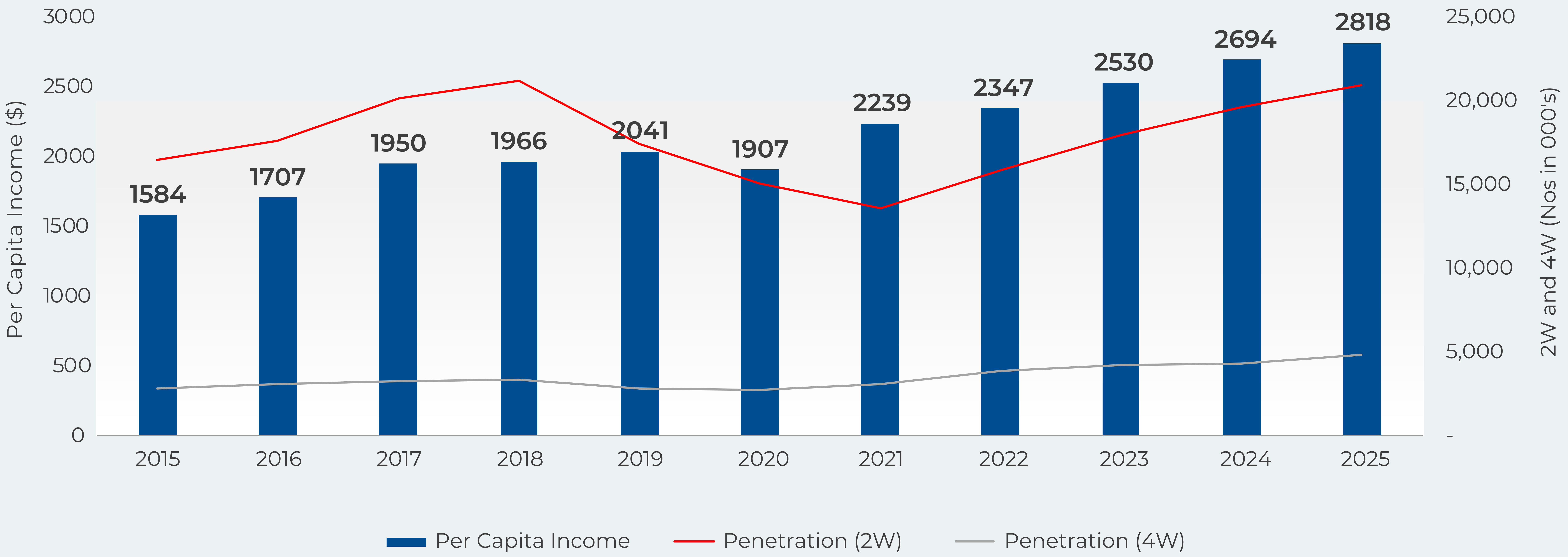
- Increasing Per Capita Income
- Behavioral Changes
- Rising Global opportunities for Export
- Government policies
- Capex support
- EV Transition and Technology advancement

Vehicle Penetration to Per Capita income – Increasing but Still Low.



2020 has proved to be an inflection point for the behavioral shift for owning Passenger vehicles. Both 2 wheeler and PV segment have observed upward trajectory with growing per capita income.

Source – SIAM Report and World Bank data. Vehicle number for year 2025 have been calculated basis last 5 years CAGR growth i.e. 12% for PV segment and 7% for 2W segment

Aspirational mindset to owning cars

Disposable Income

Increased number of working Professionals and higher income group have contributed to increasing affordability per household

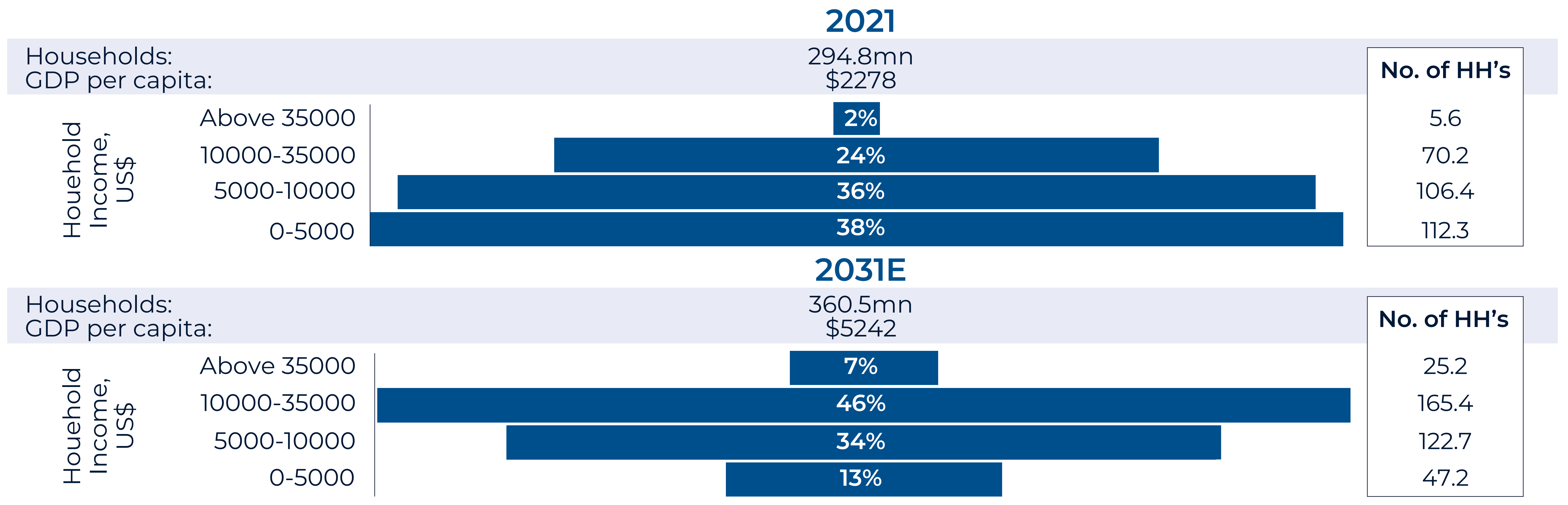
Premiumization

Increasing income pyramid has observed a visible shift towards owing premium car models like SUVs, feature rich models, luxury variants and higher safety

Rising Affluence to owning cars

Increasing Nuclear household supportive to increased selling of newer car models

Households by income distribution - Sharp increase expected in Rich and upper middle-income groups



Household (Millions)		
Year	**Lower bound**	**Upper bound**
2014	247	252
2015	252	257
2016	257	262
2017	262	268
2018	268	274
2019	274	280
2020	280	286
2021	286	292
2022	292	298
2023	298	305
2024	305	312

Source: Morgan Stanley Research; Household income is on real basis at 2021 prices, E-Estimates. Industry reports, Census Report

Low Market Share - Globally across segments

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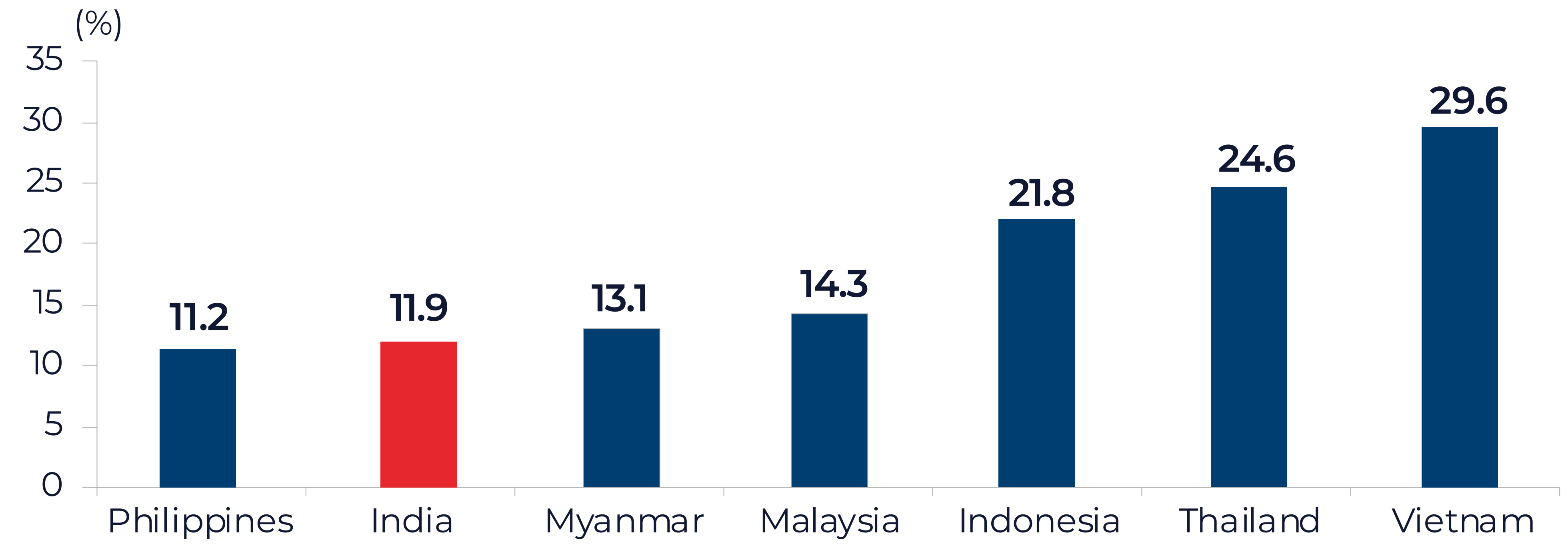
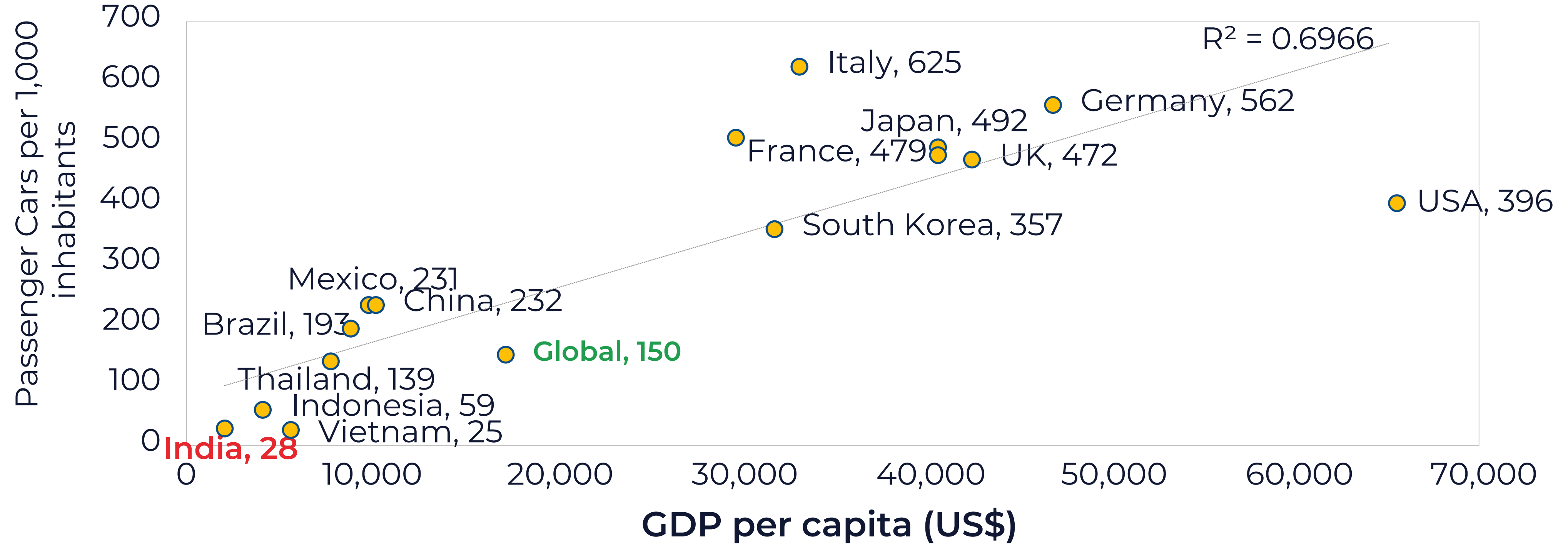
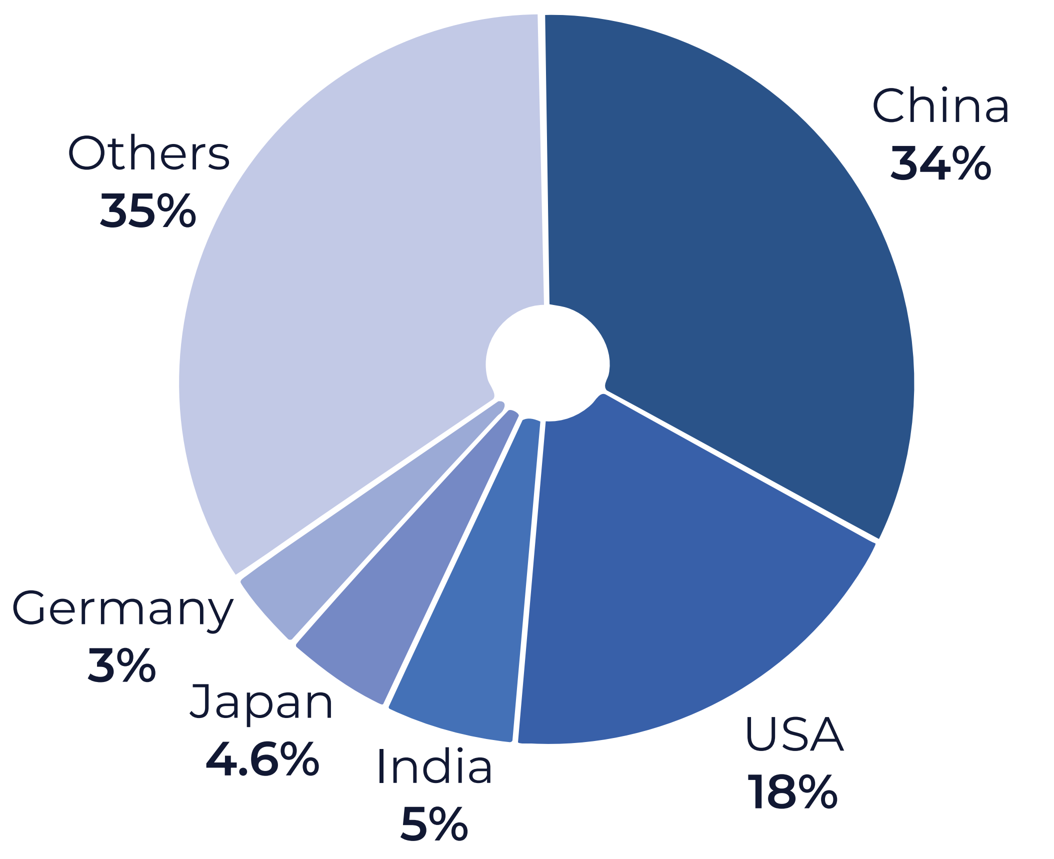
2W penetration rate ('00 population)



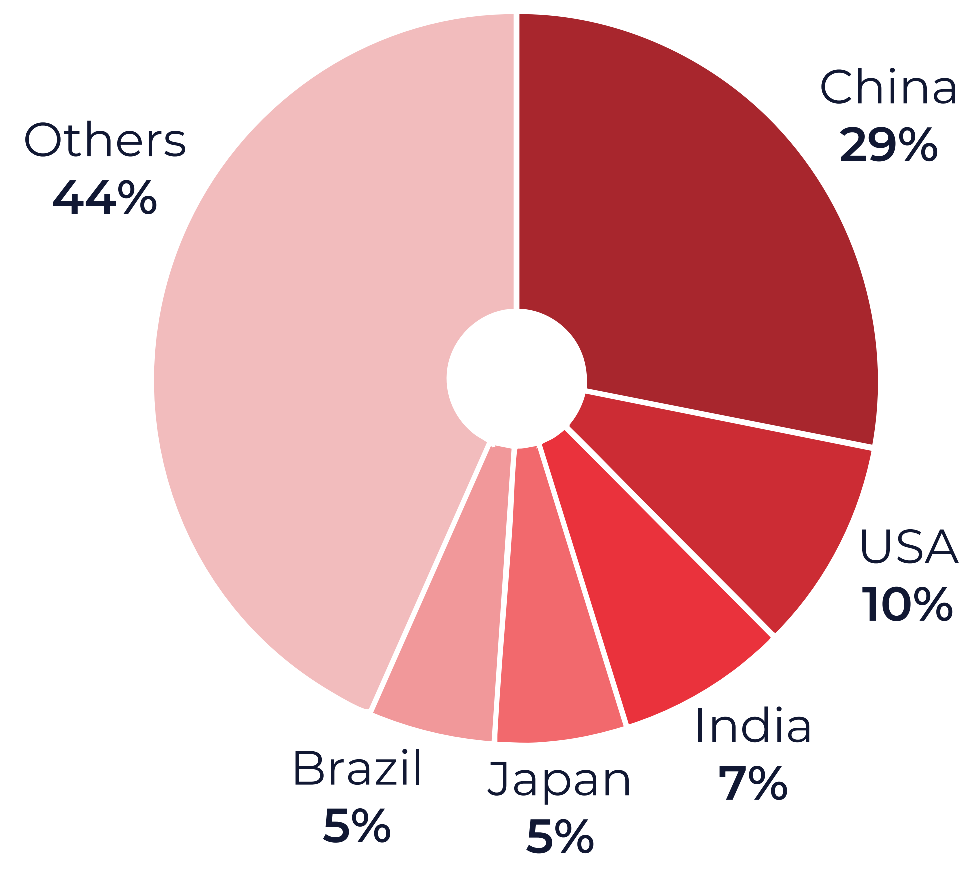
PV penetration in India (Lowest among large economies)



Top 5 Countries with % Share in Global PV Sales



Top 5 Countries with % Share in Global CV Sales



Source: CLSA, Goldman Sachs, Avendus Spark, SIAM Report as of FY25

Exports – Tap Global Opportunity with Domestic Strength

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Exports – Rs. 3.5 lakh Crs (24% volume growth in FY26)

Exports	CAGR (2021-2025)
PV	17.50%
CV	12.80%
2W	6.30%

Low Global share in PV and CV segment

Category	India's Share	Top exporter share i.e. China
PV	5%	34%
CV	7%	29%

Top Export geographies and regions – Africa, Latin America and Middle East

Rank	PV	2W	3W
1	South Africa (18%)	Mexico (12%)	Nigeria (13%)
2	Saudi Arabia (17%)	Colombia (12%)	Mexico (12%)
3	Mexico (13%)	Nigeria (6%)	Peru (11%)

Cheaper and skilled labor could make the industry extremely competitive compared to global players especially China which generally operates at ~30-40% cost premium

Source – SIAM Report as of FY25

Themes contributing to the sector growth

Faster commute and increased connectivity –

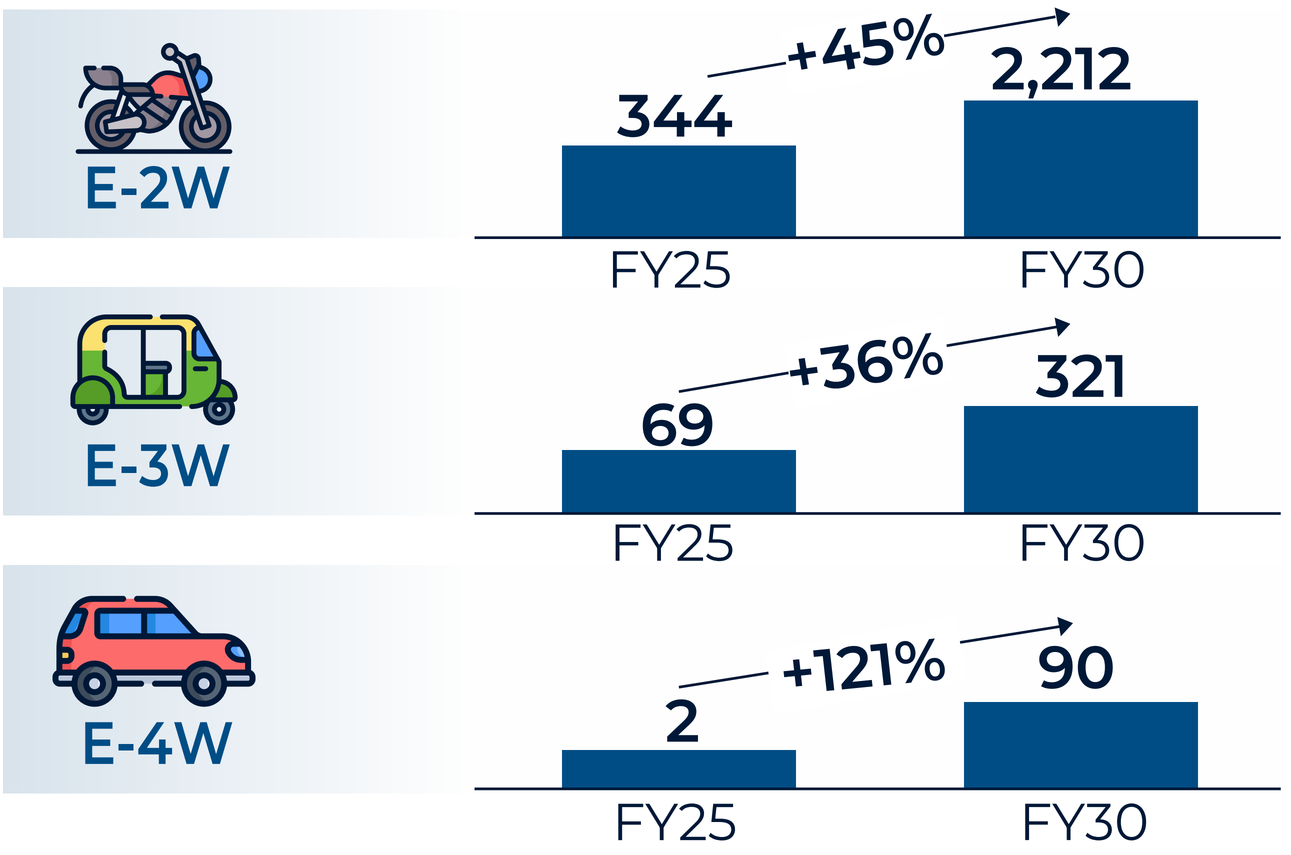
- Over 5 lakh km of Road length increased in last 5 years
- ~10% increase in National Highway length (2019-2024)
- Over 99% habitation now connected via Roadways
- Expansion of Multiple Economic corridors

Rise in E-commerce industry

Increased 2W demand especially E-bikes with rise of E-commerce platforms like Amazon, Blinkit and 4W with Ola and Uber services

Estimated Fleet Size for the Last-mile Delivery

Units-in-Operations in '000



Technology advancement

Electric Vehicles, advanced engines, Flex fuels, Powertrains contributing to advanced and efficient products

Fuel Mix	FY21	FY22	FY23	FY24	FY25	FY26
Petrol	75%	72%	70%	67%	61%	56%
Diesel	17%	19%	19%	18%	19%	19%
CNG	8%	9%	10%	12%	16%	18%
EV	0%	1%	1%	2%	3%	5%
Hybrid	0%	0%	0%	0%	2%	2%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source – Ministry of Road Transport and Highway, Industry Reports. Nomura Research. Vahan Dashboard

Government Policy push
Positively transforming the Auto story

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Operationalizing competitive Policies to elevate Demand Supply dynamics and Monetary support through Budgeted outlays and Subsidies

PLI
Incentive to boost domestic manufacturing and attract investment in the sector. Budgeted outlay of ~Rs. 26,000 Crs. for 5 year period ending in FY2027-28

FAME
EV incentivization with an outlay of ~Rs. 11,500 Crs. Subsidies for 2W, 3W and buses and increasing Charging stations

PM E-Drive
With an outlay of Rs. 10,900 Crs, scheme aims for faster adoption of Electric vehicles for Public transport system and developing Charging infrastructure

Latest Push

GST Reduction - Government restructures in the earlier GST regime of four slabs (5%, 12%, 18%, 28%) plus compensation cess (1-22%) into a simpler structure of 5%, 18% and 40%, with no cess

	Old GST structure	New Existing GST structure
Electric Vehicles	5%	5%
3 Wheelers	28%	18%
2 Wheelers	28-31%	18%*
Passenger Vehicles	Small Cars: 28% I Large/Luxury Cars: 45 to 50%	Small Cars: 18% I Large/Luxury Cars: 40%
Commercial Vehicles	28%	18%

Source – SIAM, IBEF, Industry Report. PLI – Production linked incentive. FAME - Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India
*Motorcycle with engine capacity of 350CC or below

EV Transition – Opportunity worth investing

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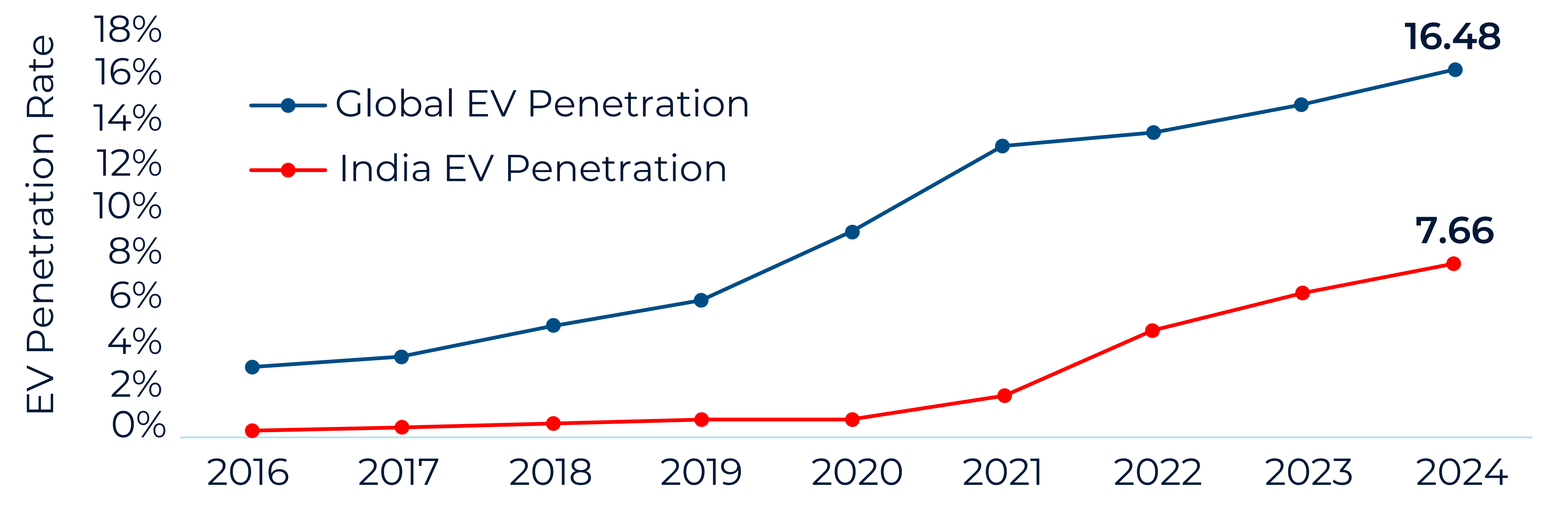
- EV penetration in India (7%) has been much lower compared to global peers and World average (17%). China currently attains 60% EV market
- Rising cost of fuel – EV are efficient considering crude prices and supply chain disruption
- India focused to achieve 30% EV sales target by 2030
- Aggressive expansion of changing infrastructure will support exponential growth of the EV segment

EV Penetration Rate - Gobal & India



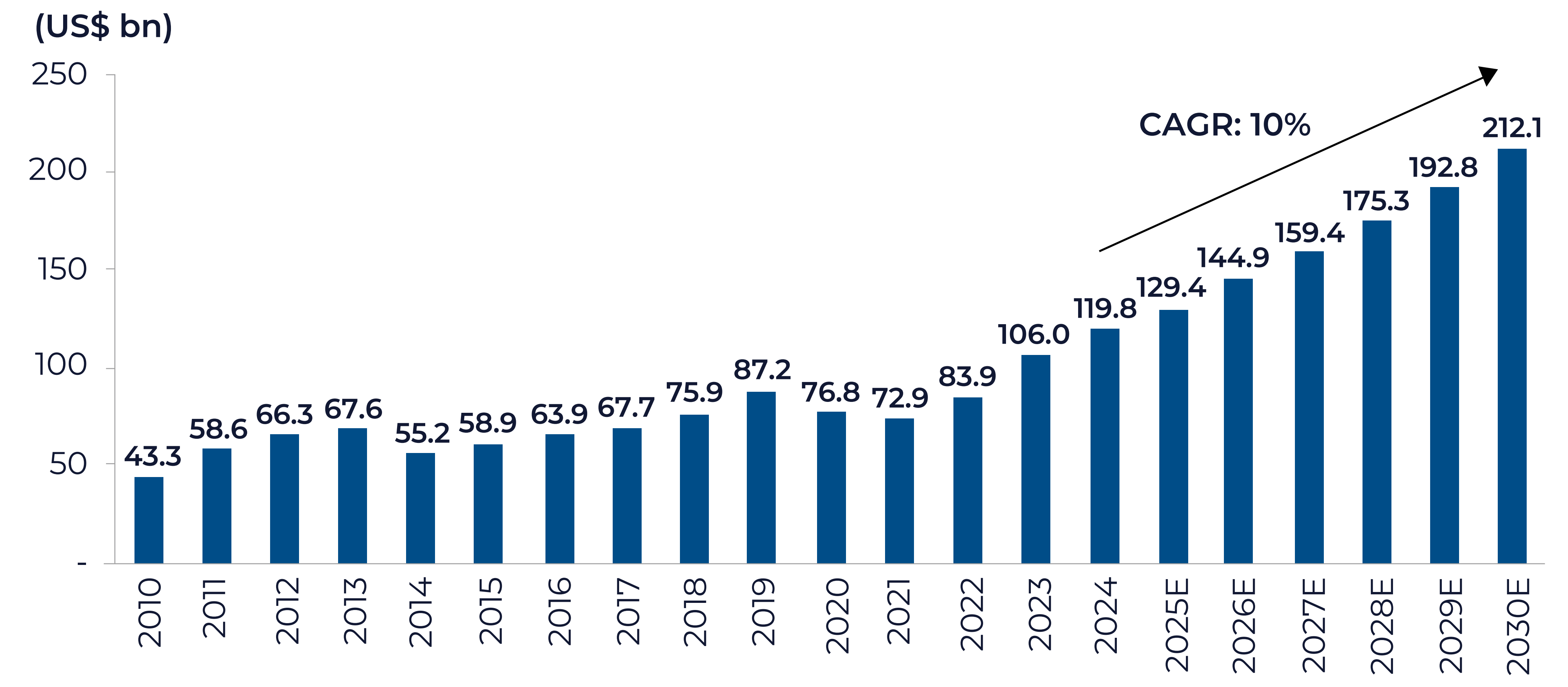
Vehicle Category	EV Sales FY-25	Total Sales FY-25	% EV Penetration FY-25	EV Sales FY-24	Total Sales FY-24	% EV Penetration FY-24	EV Sales FY-23	Total Sales FY-23	% EV Penetration FY-23
2W	1,209,772	19,551,949	6.2%	1,015,443	18,112,079	5.6%	781,590	16,653,911	4.7%
3W Pax	135,260	593,849	22.8%	71,311	565,296	12.6%	16,081	350,658	4.6%
3W Goods	28,023	130,150	21.5%	33,539	132,390	25.3%	18,520	109,182	17%
4W	115,800	4,282,486	2.7%	101,032	4,183,861	2.4%	54,272	3,916,817	1.4%
Bus	3,493	73,852	4.7%	3,642	64,542	5.6%	2,006	39,824	5%
Goods Carrier	5,465	803,339	0.7%	5,121	833,628	0.6%	636	848,823	0.1%

Source – Quench Report and Niti Aayog Report

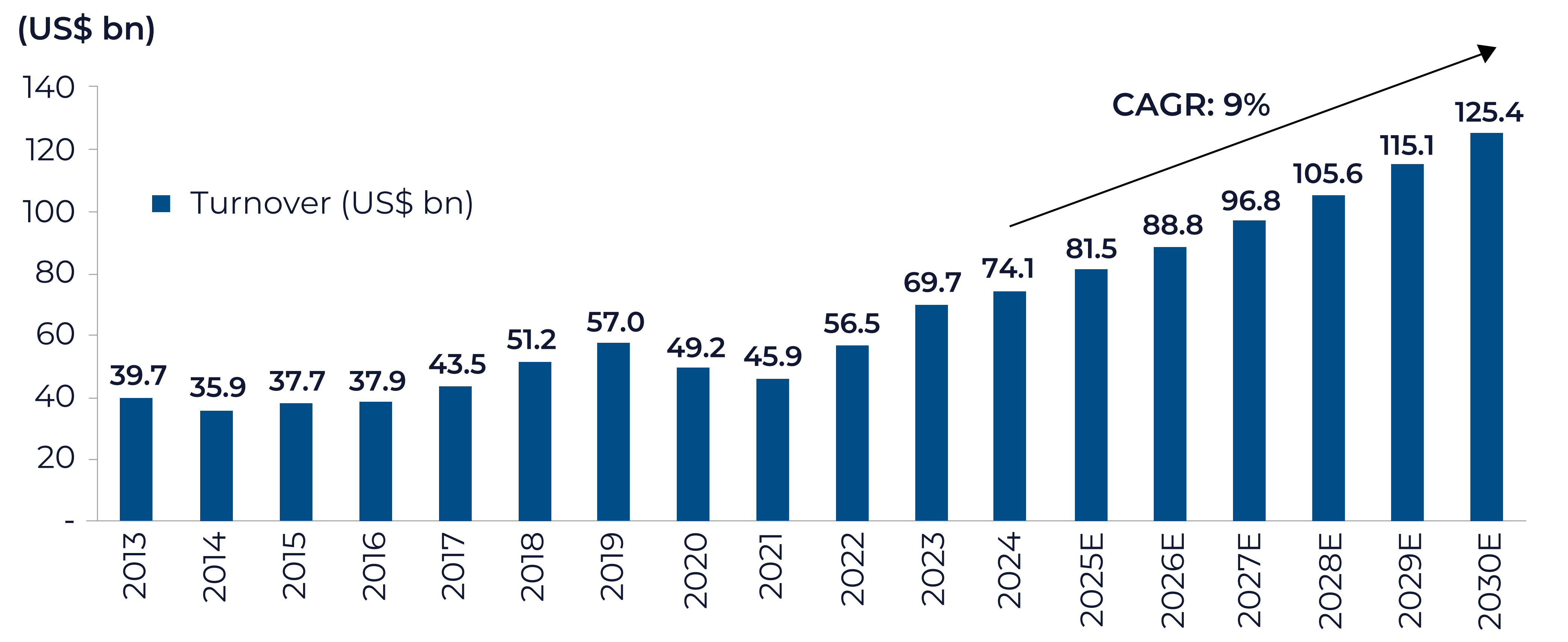
Auto and Auto Ancillary
Opportunity with increased Domestic and Global demand

- Automotive mission plan 2047 – Aim to enhance innovation, global competitiveness and establish India as a global leader
- Strong growth potential of Auto and Auto component industry
- Exports currently valued at USD 20 Billion constitute nearly 3% of global exports

Consistent rise in overall Auto Industry Revenue



Consistent rise in overall Auto component industry turnover



Source: ACMA (Automotive Component Manufacturers Association of India), Kotak Institutional Equities, Kotak Securities, Niti Aayog Report.
Data as of April 2025

Tailwinds for Auto Ancillaries

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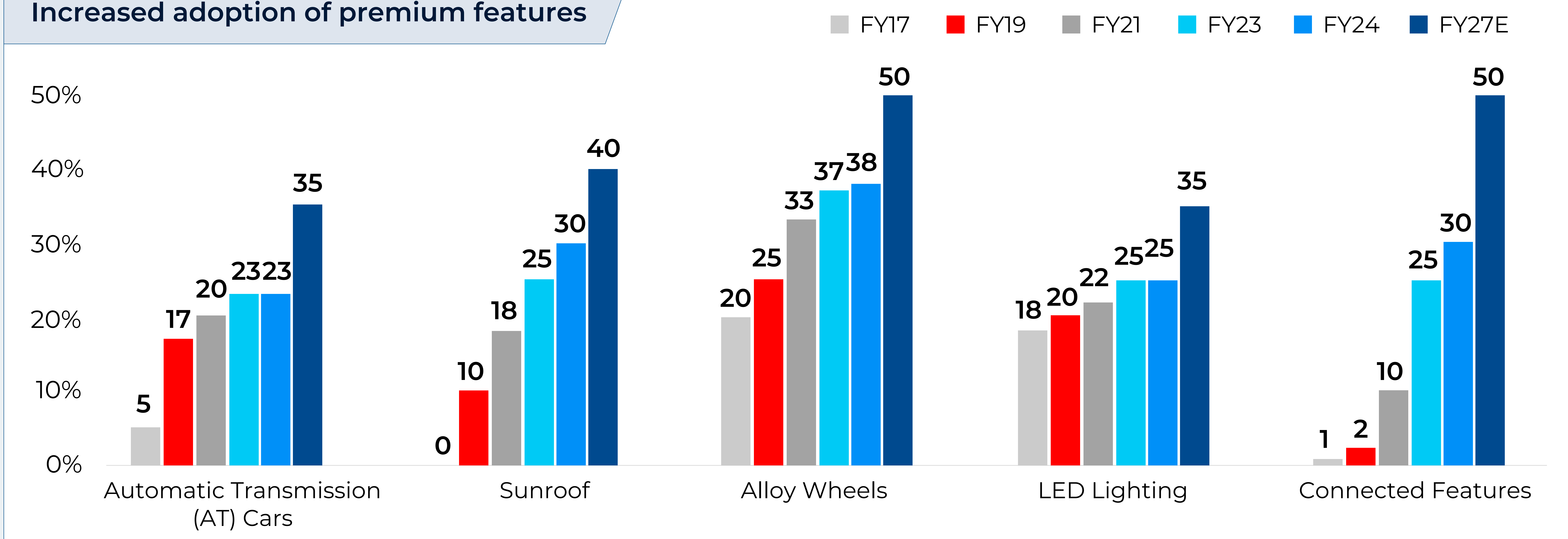
- Consumers preference for premium features has increased content per car over the last few years
- Higher content per car will lead to higher vehicle ASPs and growth for auto component industry

Increased adoption of premium features



Source: Elara Securities, Morgan Stanley research ASP - Average Selling Price

Still Nascent? What lies ahead

Sector dictates huge opportunity with

- Increased penetration
- Changing consumer behavior
- Rising per capital income with nuclear household
- Global reach
- Government Support

Potential turnaround expected in Auto sector with Increased
Capability, Capacity, Capital

Introducing

HDFC NIFTY AUTO INDEX FUND

Index Methodology and Key facts

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Parameter	Nifty Auto Index (TRI)
Universe	Nifty 500 Index and company should form part of Auto Sector
Index Objective	Index is designed to reflect the behavior and performance of the Automobiles sector. The index represents auto related sectors like Automobiles 4 wheelers, Automobiles 2 & 3 wheelers, Auto Ancillaries and Tyres
No of Stocks	15
Weights	Free Float based. Single stock capped at 33%
Portfolio review	Semi Annual (March and September)
Weight rebalancing	Quarterly (March, June, September and December)

For disclaimers, refer Slide 26

Constituents of the Index

Top 10 Constituents of the Index

Company Name	Sector Name	% of Net Assets	Market Cap
Mahindra & Mahindra Ltd.	Passenger Cars & Utility Vehicles	23.16	Large Cap
Maruti Suzuki India Ltd.	Passenger Cars & Utility Vehicles	14.66	Large Cap
Bajaj Auto Ltd.	2/3 Wheelers	9.86	Large Cap
Eicher Motors Ltd.	2/3 Wheelers	8.40	Large Cap
Tata Motors Passenger Vehicles Ltd.	Passenger Cars & Utility Vehicles	7.02	Large Cap
TVS Motor Company Ltd.	2/3 Wheelers	6.71	Large Cap
Samvardhana Motherson International Ltd. (Erstwhile Motherson Sumi Systems Ltd.)	Auto Components & Equipments	5.49	Large Cap
Hero Motocorp Ltd.	2/3 Wheelers	5.42	Large Cap
Bharat Forge Ltd.	Auto Components & Equipments	4.44	Mid Cap
Ashok Leyland Ltd.	Commercial Vehicles	3.78	Mid Cap

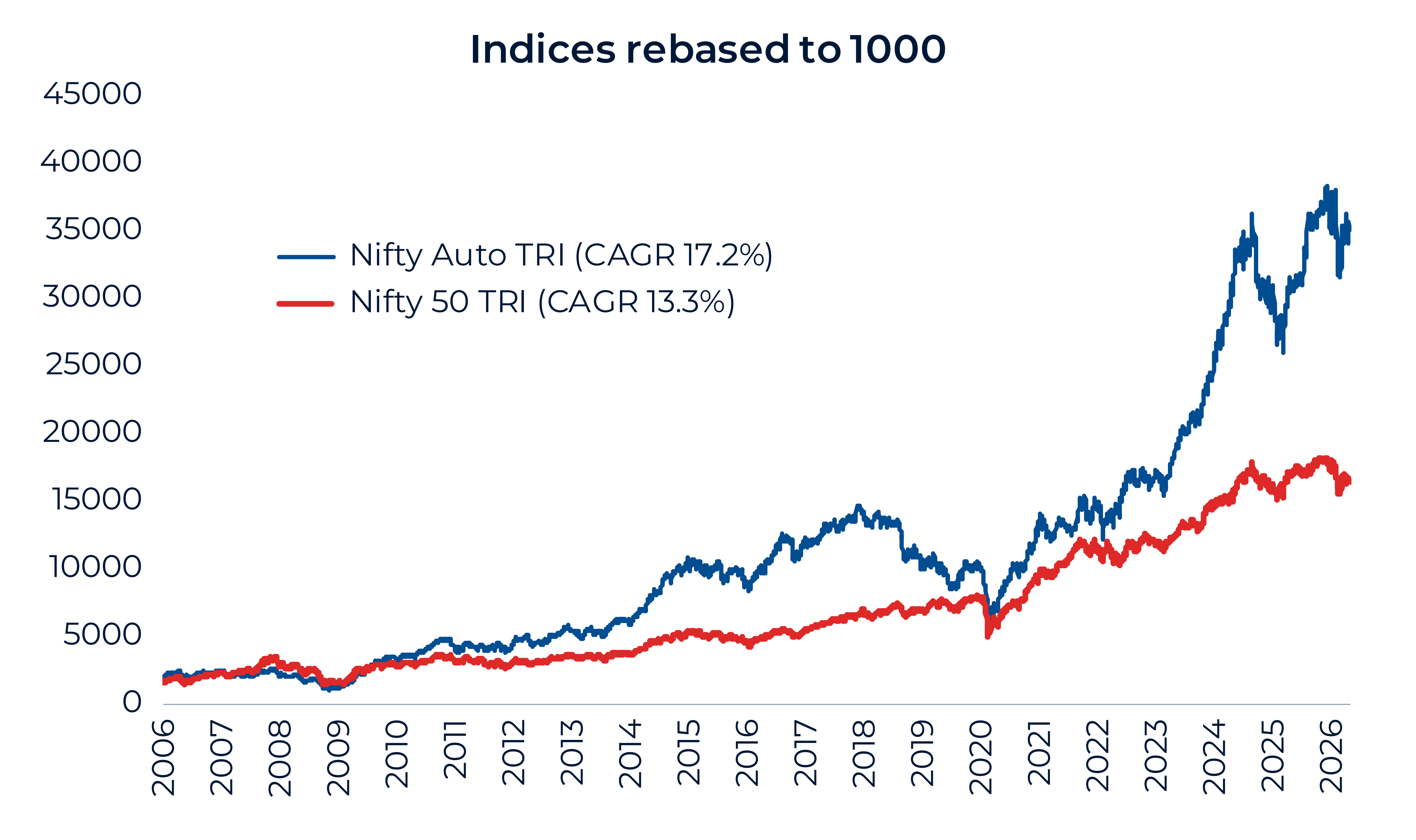
Mcap Distribution	Weight %	No of Stocks
Large Cap	83.41	9
Mid Cap	12.78	4
Small Cap	3.81	2

Sector distribution	Weight %
Passenger Cars & Utility Vehicles	44.8
2/3 Wheelers	30.4
Auto Components & Equipments	21
Commercial Vehicles	4

The Index is a large cap biased with ~83% weight. At sector level the index is focused on Passenger Cars and Utility vehicles with ~45% weight

Source: NSE Indices Ltd., internal calculations. As of May 29, 2026

Historical returns – Nifty Auto TRI Vs Nifty 50



Return Periods	Point to Point CAGR* Return	
	Nifty Auto TRI	Nifty 50 TRI
1 year	14.2%	-3.8%
3 year	24%	9.5%
5 year	21.4%	9.9%
7 year	19.5%	11.5%
10 year	12.8%	12.5%
15 year	15.2%	11.4%
Since inception^	17.2%	13.3%

The Nifty Auto TRI has outperformed the Nifty 50 TRI over several time periods

Source: NSE Indices Ltd. and internal calculations. As on May 29, 2026. ^ Jan 01, 2004 is the inception date for the Nifty Auto TRI. **Past performance may or 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**. *CAGR: Compounded Annual Growth Rate

Long term outperformance against Nifty 50

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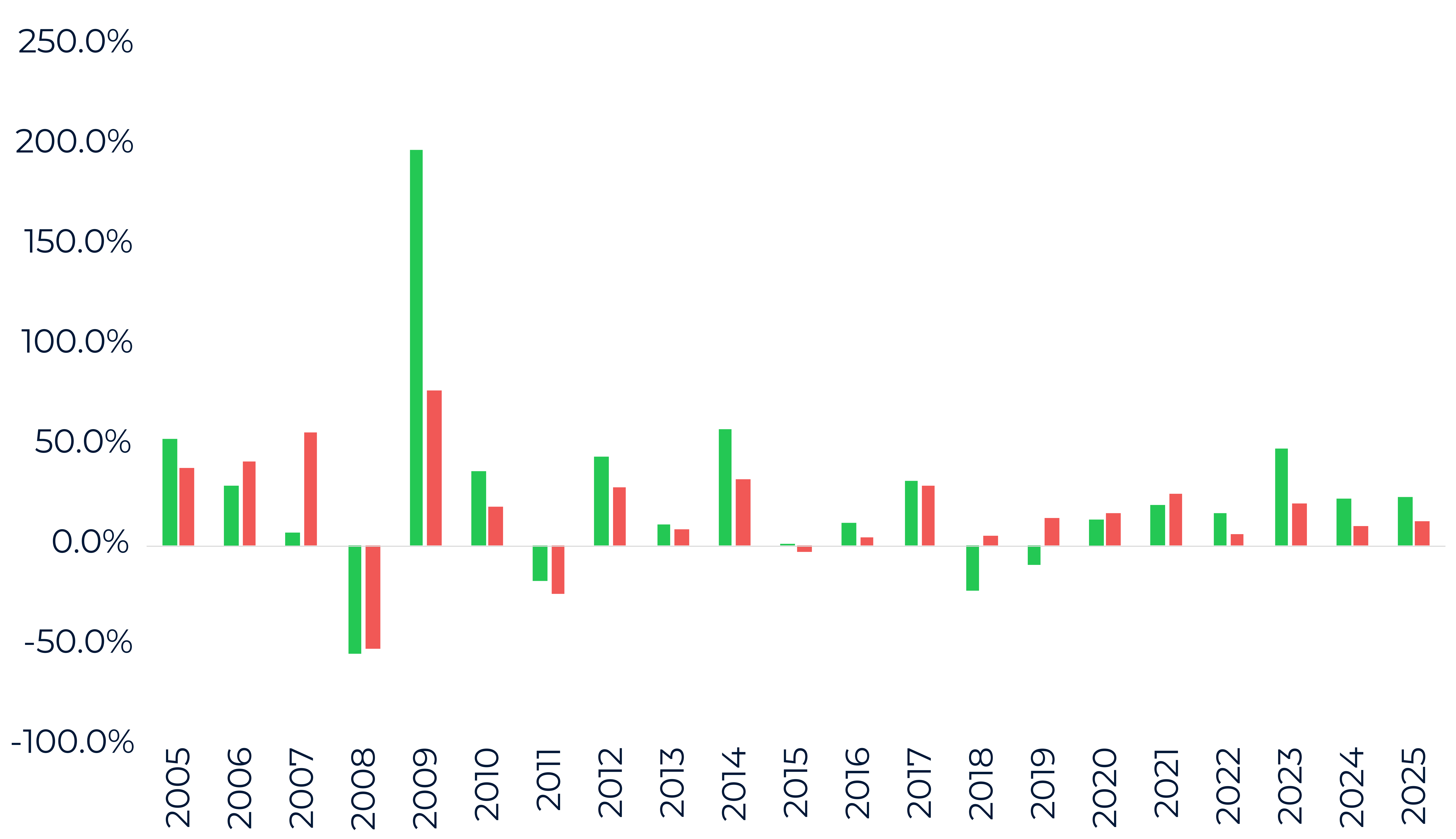
Calendar Year Returns



Rolling Returns

Period	Nifty Auto TRI	Nifty 50 TRI
1 Year	23%	17%
3 year	18%	14%
5 Year	17%	13%
7 year	16%	13%
10 Year	16%	13%

Index outperforms across every period under Rolling year returns with Higher standard deviation

	Nifty Auto TRI
Number of Calendar Years*	21 (2005-2025)
Years of outperformance / falling less than Nifty 50 TRI	14 (67%)
Cumulative Outperformance	157% (21 Years)

Source: NSE Indices Ltd. and internal calculations.Rolling Return data till May 29, 2026. *Does not include data of CY26. Based on daily rolling returns of Nifty Auto Index and Nifty 50 Index. Return period considered since Jan 01, 2004 for both Index. **Past performance may or 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**

Key Ratios and Market Valuation

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Risk return Ratio

Period	CAGR returns		Volatility		Return-risk	
	Nifty Auto TRI	Nifty 50 TRI	Nifty Auto TRI	Nifty 50 TRI	Nifty Auto TRI	Nifty 50 TRI
Since Inception	17.2%	13.3%	23.3%	21.2%	0.74	0.63
15 years	15.2%	11.4%	21.2%	16.4%	0.72	0.70
10 years	12.8%	12.5%	21.9%	16.2%	0.58	0.77
7 years	19.5%	11.5%	23.6%	17.8%	0.83	0.65
5 years	21.4%	9.9%	19.2%	13.7%	1.11	0.72
3 years	24.0%	9.5%	19.0%	13.1%	1.26	0.73
1 year	14.2%	-3.8%	20.5%	13.0%	0.69	-0.30

Key Ratio comparison

Ratios	Nifty Auto Index	Nifty 50 Index
Price Earnings Ratio (12M Forward P/E)	21.9	18.6
Price Book ratio (P/B)	4.21	2.91
Return on Asset (ROA)	11.17	2.71
Return on Equity (ROE)	30.6	14.95

Source: NSE Indices Ltd. and internal calculations. Bloomberg. Kotak Institutional Equities. Risk return data calculated till May 29, 2026. PE Ratio as of May 29, 2026. PB, ROA and ROE data as of June 11, 2026. Return Risk Ratio = Average Rolling Returns/Std. Deviation of Rolling Returns.

Past performance may or 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.

Why invest?

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- Sector poised for Long Term growth potential with structural changes
- Rising Aspiration for Automobile
- Make in India and Export Hub Initiative
- Growth aligned to India macro story
- Riding Tailwinds - Under penetration, EV shift, premiumization and export growth creates a multi-decade runway
- Higher Large and Mid cap exposure

HDFC AMC: Key Strengths in Passives

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Trusted for over 20 years in Index Solutions

HDFC AMC has been a trusted fund manager in Index Solutions for 20+ years

Wide Product Range

19 ETFs, 29 Index Funds & 7 FoFs including:

- Market-cap based– 7 ETFs & 9 Index Funds
- Sector/ Theme based – 4 ETFs & 4 Index Funds
- Smart Beta based – 5 ETFs & 6 Index Funds
- Commodities – 2 ETFs & 2 Fund of Funds
- Debt – 10 Index Funds & 1 ETF
- International – 1 Fund of Fund

One of the largest funds across several categories

- Market-cap based Index Funds
- Commodity ETFs with over 15+ years of history
- Small cap ETF category

Data as of May 29, 2026

Scheme Details

Particulars	HDFC Nifty Auto Index Fund
Investment Objective	Passive investment in equity and equity related securities replicating the composition of the Nifty Auto Index (TRI), subject to tracking errors. There is no assurance that the investment objective of the Scheme will be achieved
Fund Managers	Nandita Menezes and Arun Agarwal
Benchmark	Nifty Auto Index (TRI)
Entry / Exit Load	Nil
Minimum Investment	During NFO period and continuous offer period (after scheme re-opens for repurchase and sale) Purchase and Additional purchase – Rs. 100 and any additional

For further details, kindly refer the [Scheme Information document (SID)]

Scheme Allocation

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Constituents of Nifty Auto Index (TRI)	95	100
Plain Vanilla Debt Securities, Government Securities, T-Bills and Money Market Instruments, Repo on Government Securities, Units of Liquid and Overnight schemes of Mutual Funds	0	5

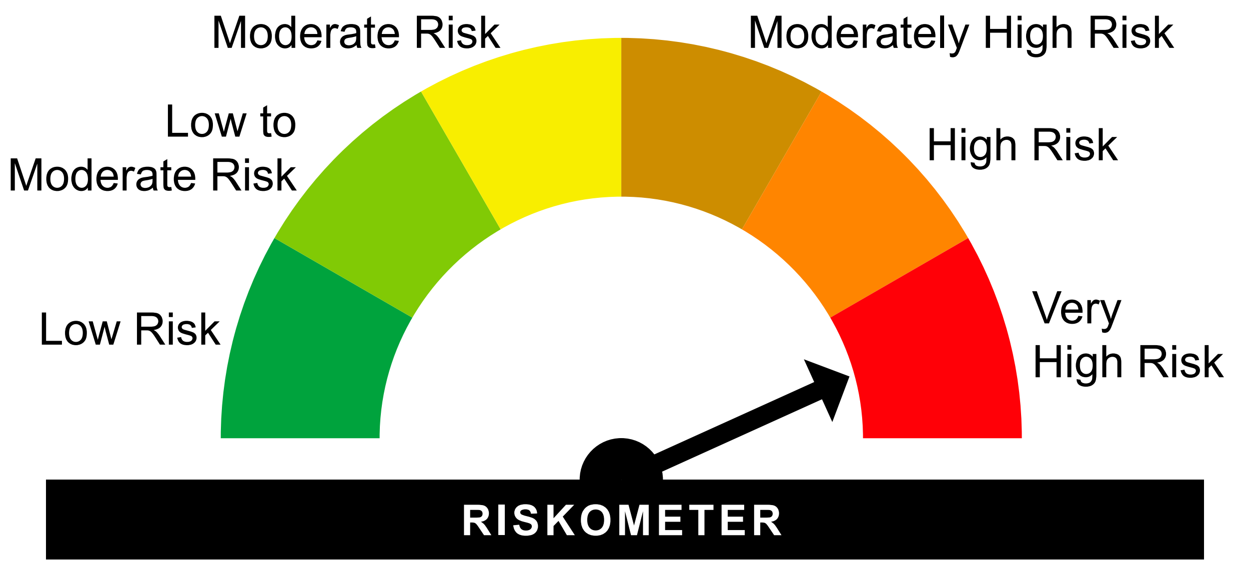
For further details, kindly refer the Scheme Information document (SID)

Key Risk and Mitigants

Key Risk	Risk Mitigants
Auto sector is cyclical in Nature. It may have some downcycle compared to broader categories	Unlike earlier years, Auto sector is one of key focus point to expand the manufacturing space. The sector players have diversified product portfolio, geographic diversification and focus on new technology resulting in potential for growth in the sector. With Macro support, investors can prefer a SIP investment for Rupee cost averaging during downtimes and longer investment timeframe.
Global supply chain disruption risk	India is aiming to increase domestic production capability with higher Capex and expansion. Historically, the sectors has aimed to reduce Global dependence
Risk of Technology obsoleting and Newer integration	With the growth of AI and newer technology integration, bigger players are increasing their tie-ups, partnerships with domestic and global partners to meet the AI led demand. As these companies possess higher weights in the index, they will support the growth of the sector and overall Index
Despite sizable contribution to Manufacturing space, Auto Sector in isolation has Concentration Risk	Investors should be diligent while allocating to the fund. SIP approach for Retail investors with Long term view can be ideal way to stay invested
General Risk – Market, Credit and Liquidity	The Index methodology/construct considers key Risk i.e. Liquidity, Credit and Size Risk. It allocates higher weights to companies with higher M-caps with sufficient trading frequency. Generally these operates under stringent governance and regulatory environment moderating company risk. The fund with a passive approach will replicate the Index and maintain sufficient Cash to manage Liquidity risk for redemptions

The above list is not exhaustive. Please read all scheme related documents carefully to under further Risk

Investment Objective and Riskometer

Investment objective	Scheme Risk-o-meter#
HDFC Nifty Auto Index Fund Passive investment in equity and equity related securities replicating the composition of the Nifty Auto Index (TRI), subject to tracking errors. There is no assurance that the investment objective of the Scheme will be achieved.	 *The risk of the scheme is very high*

Investors should consult their financial advisers, if in doubt about whether the product is suitable for them. #The product labeling assigned during the NFO is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.
For latest riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. **www.hdfcfund.com**

Disclaimer

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HDFC Bank (Sponsor of HDFC Mutual Fund) is not liable or responsible for any loss or shortfall resulting from the operations of the scheme.

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

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

Thank You