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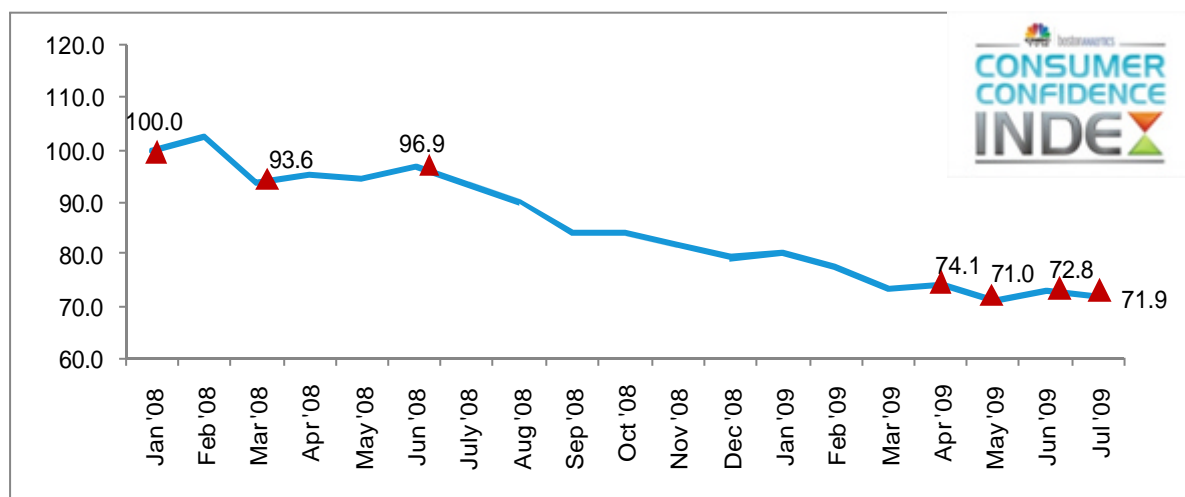
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AFTER A SMALL BOUNCE IN JUNE, CONSUMER CONFIDENCE FALLS IN JULY.

MUMBAI, August 5, 2009 – Today CNBC TV18 and Boston Analytics released the CNBC-TV18 Boston Analytics Consumer Confidence Index for July 2009. The index is designed to measure consumer confidence in India on a monthly basis. The index is derived from a monthly survey targeting nearly 10,000 respondents across fifteen Indian cities, which makes it the largest and most comprehensive exercise of this kind in the country. The index is a monthly barometer of the opinion of Indian consumers regarding the current state and future expectations of the macro economy, household financial conditions and consumption. The index is computed from responses to 25 questions covering various variables known to affect consumer confidence. These variables pertain to general economic conditions, employment, inflation, interest rates, real estate, household financial conditions, household income, household spending plans, and savings.

The index for July stands at 71.9, a decrease of 1.2% from June's reading of 72.8. The fall in consumer confidence in July can be attributed primarily to pessimism surrounding the Indian consumer's outlook about general employment conditions, concern about continuing inflationary pressure, and weakening sentiment related to discretionary spending. Sentiment related to some aspects of personal financial conditions such as observed and expected household income as well as comfort in borrowing money improved slightly in July, but not enough to offset the earlier mentioned negative trends.

The exhibit below shows the CNBC-TV18 Boston Analytics Consumer Confidence Index between January 2008 and July 2009.



Source: Boston Analytics

The CNBC-TV18 Boston Analytics Consumer Confidence Index consists of two sub-indices – the Current Situations Index and the Future Expectations Index. While the Current Situation Confidence Index has increased in the last month, the Future Expectations Confidence Index experienced a marginal decline. The Current Situation Confidence Index increased 3.5%, from 71.7 in June 2009 to 74.2 in July 2009. On the other hand, the Future Expectations Confidence Index decreased 2.7%, from 73.3 in June 2009 to 71.2 in July 2009.

"Our July survey shows that the Indian consumer remains austere in their spending plans on durable goods. Worries about the state of employment conditions and retail inflation appear to be the dominant factors," said **Dr. Sam Thomas, Ph.D., Director of Research and Development at Boston Analytics.**

"It is important to note that there appears to be an interesting dichotomy emerging between the consumer's perception of optimism regarding economic activity at the (remote) macro level and pessimism regarding their own (local) private household conditions and spending plans. We also note that despite the fact that officially reported inflation numbers are falling, the Indian consumer remains convinced that retail prices are still too high."

About the CNBC-TV18 Boston Analytics Consumer Confidence Index

The index is designed to measure consumer confidence in India on a monthly basis. The index is derived from a monthly survey targeting 10,000 respondents across fifteen Indian cities—Delhi, Mumbai, Kolkata, Chennai, Hyderabad, Bangalore, Ahmedabad, Chandigarh, Nagpur, Kochi, Jaipur, Lucknow, Bhubaneswar, Patna, and Vishakhapatnam. The sample is stratified based on the socio-economic characteristics of the Indian population in order to ensure sufficient sample sizes for sub-groups of interest. All data are collected via face-to-face interviews. The index is computed from responses to 25 questions covering various variables known to affect consumer confidence. These variables pertain to general economic conditions, employment, inflation, interest rates, real estate, household financial conditions, household income, spending plans, and savings. The index value in January 2008 was set to 100 to serve as the starting benchmark value of the time series. Inspired by the product design and index computation methodologies of consumer sentiment and consumer confidence indices across the world, the index has been adapted to the Indian economy's unique conditions.

About CNBC-TV 18: CNBC-TV18 is the undisputed leader in the business. The channel's benchmark coverage extends from corporate news, financial markets coverage, expert perspective on investing and management to industry verticals and beyond. CNBC-TV18 has been constantly innovating with new genres of programming that helps make business more relevant to different constituencies across India. CNBC-TV18 is currently available in over 30 million households in India

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