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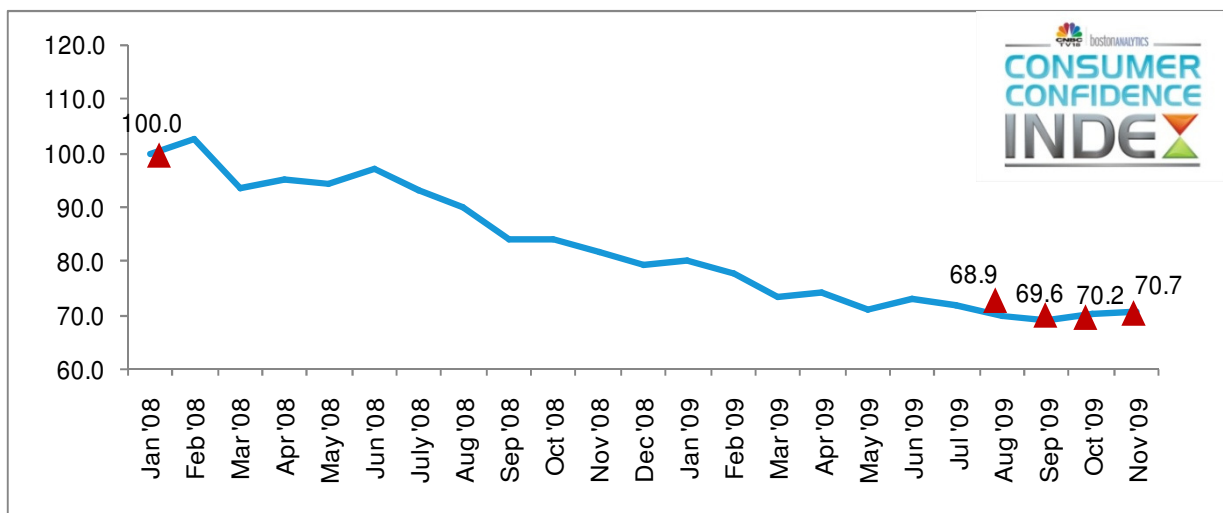
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**THE CONSUMER CONFIDENCE INDEX IS SHOWING SIGNS OF BOTTOMING OUT–
 THE COMPOSITE REGISTERS A VERY MARGINAL INCREASE IN NOVEMBER**

MUMBAI, December 2, 2009 – Today CNBC TV18 and Boston Analytics released the CNBC-TV18 Boston Analytics Consumer Confidence Index for November 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 November stands at 70.7, an increase of 0.7 percent from October’s reading of 70.2. Optimism and pessimism related to the majority of variables used in the computation of the composite has remained almost flat. Marginal increase in optimism related to the future expected state (in the next 12 months) of the economy, expected annual household income of respondents, observed and expected change in real estate prices, and slight improvement in pessimism related to job security, ease of creating alternative means of employment and discretionary spending have been offset by weakening optimism about expenditure on basic necessities, the observed change in the nation’s economic conditions and continuing pessimism about inflation and interest rates.

The exhibit below shows the CNBC-TV18 Boston Analytics Consumer Confidence Index between January 2008 and November 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. The Current Situation Confidence Index and the Future Expectations Confidence Index have also flattened out in the last few months. Both the Current Situation Confidence Index and the Future Expectations Confidence Index appear to have flattened out in

the last few months. The Future Expectations Index remains lower than the Current Situation Index for the fifth consecutive month, signaling that the Indian consumer is unsure whether the ongoing process of economy recovery can be sustained. The Current Situation Confidence Index recorded a very small increase of 0.9 percent from 75.0 in October 2009 to 75.7 in November 2009. Similarly, as shown in Exhibit 3, the Future Expectations Confidence Index increased only 0.3 percent from 65.6 in October 2009 to 65.8 in November 2009.

"Our November survey reveals that consumer confidence among India's urban consumers appears to have bottomed. There is early evidence also that the intense stimulus by the government has halted the relentless decline in urban consumer sentiment in this cycle. We note in particular that employment related sentiment is showing signs of improvement, but from very low levels. However, worries about the state of employment conditions and retail inflation continue to appear to be the dominant factors leading to austerity in spending plans and an increased propensity to save," said **Dr. Sam Thomas, Ph.D., Director of Research and Development at Boston Analytics**. "We hope that the early signs of a change in trend in urban consumer confidence here in India will not be affected by negative contagion coming from recent negative news about the economy in the Middle East."

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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