



Press Release

Standard & Poor's ESG India Index launched

IFC-backed index provides avenue to invest in leaders in environmental, social and corporate governance issues

Mumbai, January 30, 2008 - Standard & Poor's, CRISIL and KLD Research & Analytics, the social and environmental research firm, today announced the launch of the S&P ESG India Index, the first investable index of companies whose business strategies and performance demonstrate a high level of commitment to meeting environmental, social and governance [ESG] standards. The index provides investors with an instrument to incorporate sustainability measures into their investment decisions and will provide a model for the launch of similar indices in other emerging markets.

Initiated and sponsored by the International Finance Corporation (IFC), a member of the World Bank group, this pioneering Index comprises 50 Indian companies that meet certain ESG criteria and have been drawn from the largest 500 companies listed on the National Stock Exchange of India through a two-stage screening process. A detailed methodology and factsheet on the S&P ESG India Index are available at www.standardandpoors.com/indices.

Dr. Subir Gokarn, Chief Economist, Standard & Poor's Asia Pacific, observed: "As the private sector becomes more important in the growth and development of emerging economies, the profit motive needs to be brought into alignment with public interest. The scope of regulation, though critical, is limited without a commitment by investors to reward strategic behaviour that creates long-term value by balancing the interests of all stakeholders." Dr. Gokarn has been associated with the project from its inception, including in his earlier capacity as Chief Economist at CRISIL.

Ms. Rachel Kyte, Director of IFC's Environment and Social Development Department, added, "With growing pressure on investors to seek diversification and returns by entering markets such as India and with more and more investors keen to invest in responsible firms, IFC hopes that the launch of this index will be another important attempt to ensure that good performance is rewarded in the market and that 'the best in class' Indian companies can access capital that is aligned with their success."

Ms. Michelle Lapolla, managing director of consulting services at KLD, explained: "We have been conducting in-depth, qualitative ESG analysis on companies for 20 years. In this project, we have tailored our approach far more precisely to the Indian context, taking into account disclosure and reporting standards prevalent amongst Indian companies."

Ms. Alka Banerjee, Vice President of Index Services, Standard & Poor's, said: "The S&P ESG India Index is unique because it links a company's ESG score to its index weightings so that companies with higher scores carry higher weightings. While the 50 companies that have been included in the index are largely familiar names, their performance on ESG parameters assures investors that their portfolio is consciously balancing the interests of all stakeholders and, thereby, creating a platform for strong long-term performance."

IFC launched the 'Capturing Value' grant competition, which initiated this project, to provide emerging markets investors with better information on companies' environmental, social and governmental performances. The creation of this landmark ESG index is the result of a pioneering collaboration. It draws upon S&P's expertise in governance metrics and indices, KLD's experience and reputation on screening companies across all three dimensions using public information, and CRISIL's strong understanding of the Indian business and regulatory context.

The S&P ESG India Index will be maintained by India Index Services Ltd., a joint venture between CRISIL and the National Stock Exchange of India, which also manages the flagship S&P CNX NIFTY index of India's largest and most liquid companies.

For more information on Standard & Poor's expanding range of emerging market and thematic indices, including methodology, please visit: www.standardandpoors.com/indices.

About IFC.

IFC, a member of the World Bank Group, fosters sustainable economic growth in developing countries by financing private sector investment, mobilizing private capital in local and international financial markets, and providing advisory and risk mitigation services to businesses and governments. IFC's vision is that poor people have the opportunity to escape poverty and improve their lives. In FY07, IFC committed \$8.2 billion and mobilized an additional \$3.9 billion through syndications and structured finance for 299 investments in 69 developing countries. IFC also provided advisory services in 97 countries. For more information, visit www.ifc.org.

About Standard & Poor's Index Services

Standard & Poor's Index Services, the world's leading index provider, maintains a wide variety of investable and benchmark indices to meet an array of investor needs. Its family of indices includes the S&P 500, an index with \$1.32 trillion invested and \$4.91 trillion benchmarked, and the S&P Global 1200, a composite index comprised of seven regional and country headline indices. For more information, please visit www.standardandpoors.com/indices.

About CRISIL

CRISIL is India's leading Ratings, Research, Risk and Policy Advisory Company.

CRISIL offers domestic and international customers a unique combination of local insights and global perspectives, delivering independent information, opinions and solutions that help them make better informed business and investment decisions, improve the efficiency of markets and market participants, and help shape infrastructure policy and projects. Its integrated range of capabilities includes credit ratings and risk assessment; research on India's economy, industries and companies; global equity research; fund services; risk management and infrastructure advisory services. For more information, visit www.crisil.com.

About KLD Research & Analytics, Inc.

KLD Research & Analytics, Inc. is an independent investment research firm providing management tools to professionals integrating environmental, social and governance factors (ESG) into their investment decisions. KLD Indexes, a division of KLD Research & Analytics, constructs indexes that are accepted as the benchmarks for ESG investment strategies. Investors, trustees and consultants depend on the quality and integrity of KLD Indexes, which are designed to be transparent, representative and investable. Today, more than \$11 billion is invested in funds based on KLD's family of indexes. For more information, visit www.kld.com

Standard & Poor's, CRISIL and KLD Research & Analytics do not sponsor, endorse, sell or promote any S&P index-based investment product.

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