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THOMSON TO CREATE INDIAN VENTURE CAPITAL DATA BASE

Thomson Financial of U.S.A., the world's leading data base on capital markets, has now come to India. In a major initiative, Thomson has entered into an agreement with the Indian Venture Capital Association (IVCA) and PRIME Database to create an internationally-benchmarked database of the Indian venture capital industry.

Thomson has been tracking the venture capital industry across the world since 1961. It is the sole database research provider to the U.S. National Venture Capital Association, Japan's Ministry of International Trade & Industry, and scores of VC associations including Taiwan, Hong Kong, Australia and Singapore, among others. Thomson products and services include VentureXpert, Portfolio Analysis, Venture Economics Returns Analysis, Private Equity Performance Database, and Investment Benchmark Reports.

IVCA is the country's umbrella association of venture capital funds, with a mission to facilitate the growth of venture capital and private equity activities, including lobbying effectively with the Government on key regulatory issues. IVCA is now actively engaged in encouraging and assisting in the creation of more VC funds and in fostering a sense of industry co-operation through meetings, information exchange and research.

PRIME Database has been tracking the Indian primary capital market since 1989 and is presently offering information services on IPOs, rights issues, overseas issues, debt private placements, mutual funds IPOs, open offers and buybacks. Its products are used widely in India and abroad by investment bankers, mutual funds, corporations, and government agencies.

Significantly, despite the tremendous growth in this industry during the past 5 years, there is little reliable or updated data. Even on the number of firms or the total amount of VC investments made in India, there exists a huge variance. For example, there are 4 different figures available on total investments by venture capital firms in India in the year 2000, these being IVCA at US \$ 1.2 billion, NASSCOM at US \$ 950 million, UNDP at US \$ 342 million and Mr.Kanwal Rekhi of TIE at US \$ 700 million. Even the estimate of number of funds operating in India is at a huge variance. While only about 25 VC firms are registered with SEBI and IVCA has a membership of about 30 firms, PRIME has compiled through an extensive research a list of nearly 100 VC firms investing in India.

According to Mr.Prithvi Haldea, Managing Director of PRIME Database, a comprehensive survey of the venture capital industry in India has now been launched by PRIME, as the first step. Survey Forms have been sent to all venture capital firms operating in India as well as those which are based abroad but invest in Indian firms. (The survey forms are also downloadable from www.primedatabase.com).

The Indian venture capital industry data, after this Survey, would be available for the first time to worldwide users in a variety of formats. This includes Thomson's VentureXpert which is available both on the web and SDC Platinum. The key data and analysis will also be made available in print in the form of IVCA Yearbook-2001, according to Mr.Saurabh Srivastava, President of IVCA.

The strategic joint venture between Thomson, IVCA and PRIME is set to make the private equity industry in India a booming success by allowing international investors to better structure their investment programmes with regard to venture capital firms based in India. The Survey will, for the first time, validate venture fund industry data in India and will provide a valuable tool to promote the Indian venture industry.

Importantly, the Survey will help create relationships of Indian VC firms with key international venture capital associations, investors and the press. It will allow for a better understanding of the VC investment trends in India and most importantly develop industry performance benchmarks for Indian fund managers and their constituencies.