Press Release
Launch of CNX FMCG Index

Over the last few years the Fast Moving Consumer Goods (FMCG) sector has shown rapid growth despite the slowdown in the economy. The companies in this sector have become the most favoured among market players due to their strong brands, extensive distribution network and good management practices. However, till date, there has been no researched benchmark that could be used as a tool to measure the performance of this sector.

In light of these developments, IISL, after extensive research has developed the CNX FMCG Index, which aims at providing investors a tool for measuring this sector's performance.

Definition : FMCG's are those goods and products, which are non-durable, mass consumption products, available off the shelf.

Selection Criteria :

1. Company's market capitalisation rank in the universe should be less than 500
2. Company's turnover rank in the universe should be less than 500
3. Company's trading frequency should be atleast 90% in the last one year
4. Company should have a minimum track record of three years of operations with a positive networth.

Salient Features of the Index :

1. The CNX FMCG Index is a 15 stock Index.
2. Represents over 90% of market cap and turnover of FMCG stocks
3. Weightages of individual constituents are capped at 10%.
4. The Index Sub-Committee will review Index every quarter.
5. Index Values available from January 1996.
6. Index has appreciated 67% since April 1998 as compared to a gain of 33% for the S&P CNX 500.

Constituent List

1. Archies Greetings & Gifts Ltd.
2. Britannia Industries Ltd.
3. Cadbury India Ltd.
4. Colgate-Palmolive (India) Ltd.
5. Dabur India Ltd.
6. Hindustan Lever Ltd.
7. ITC Ltd.
8. Indian Shaving Products Ltd.
9. ITC Agro-Tech Ltd.
10. McDowell & Co. Ltd.
11. Nestle India Ltd.
12. Procter & Gamble India Ltd.
13. Reckitt & Colman India Ltd.

14. Smithkline Beecham Consumer Healthcare Ltd.
15. Tata Tea Ltd.

Place: Mumbai
Date : September 22, 1999

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