

CANSLIM-esque
Efficiently managed growing companies experiencing positive momentum, screened using CANSLIM methodology

Index Value
556.61
CAGR
29.99%
since March 3, 2014

Moderate Risk

smallcase rationale

CANSLIM is an investment model of specific criterion set out by William O'Neil, an American stock broker and investor.

- CANSLIM model revolves around seven criteria - current earnings, annual earnings, the new factor, supply and demand, leader vs laggard, institutional ownership and market direction. These criteria have been modified for the Indian stock markets
- This smallcase consists of companies that have recorded greater than 10% earnings per share growth over the previous 2 years and also have high return on equity. High EPS growth in tandem with high ROE indicates that the company is making money at a fast pace while managing capital efficiently
- Future expectations regarding earnings growth have also been taken into account
- Additionally, only stocks that have been showing strong upward price movement and have performed better than 75% of all stocks over the previous 1 year are included

Created by	SEBI Reg. Number	Subscription Type
Windmill Capital	INH200007645	Free

[Invest in this smallcase here](#)

Methodology



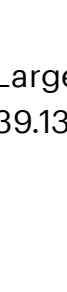
Defining the universe

All publicly traded companies on the National Stock Exchange of India, covering 90% market capitalization, are included in the universe



Research

The Windmill Capital team studies research papers and documented investment philosophies and strategies. Ideas and strategies are then adapted for the Indian markets, with which a criteria for stock screening is finalized



Stock Screening

- Proprietary liquidity filters are applied to remove ill-liquid stocks from the universe
- A special check is applied to remove stocks, where a significant part of the promoter holdings are pledged, to define the investable universe
- The model criteria identified in the previous step is applied on the investable universe to select qualifying stocks



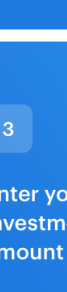
Weighting

This list of selected stocks is equal weighted



Historical back-testing

All model based smallcases are checked for historical outperformance to ensure that only consistently outperforming models are selected



Rebalance

This smallcase has a quarterly rebalance schedule. Once every quarter, the research team reviews this smallcase and drops stocks which do not meet the model criteria and adds new stocks

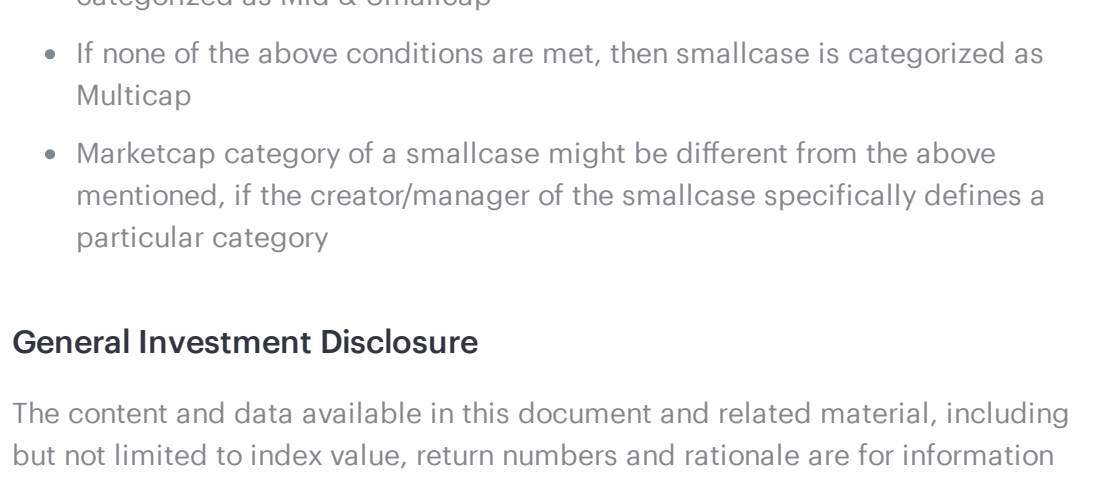
Ratios

Ratio	smallcase	Equity Large & Mid Cap
PE Ratio	40.05	26.84
PB Ratio	8.57	2.77
Sharpe Ratio	1.54	1.06
Dividend Yield (%)	0.42	1.64

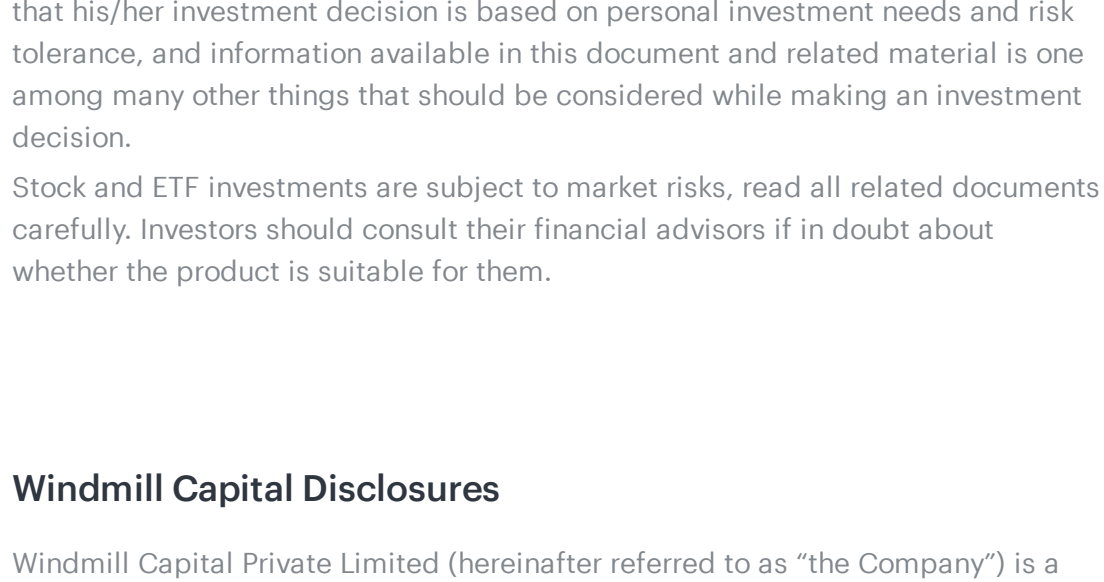
Important Fields

Inception Date	Launch Date	Marketcap Category
March 3, 2014	September 3, 2018	Equity Large & Mid Cap
Review Frequency	Last Reviewed	Next Review On
Quarterly	September 16, 2020	December 16, 2020

Market Cap Distribution



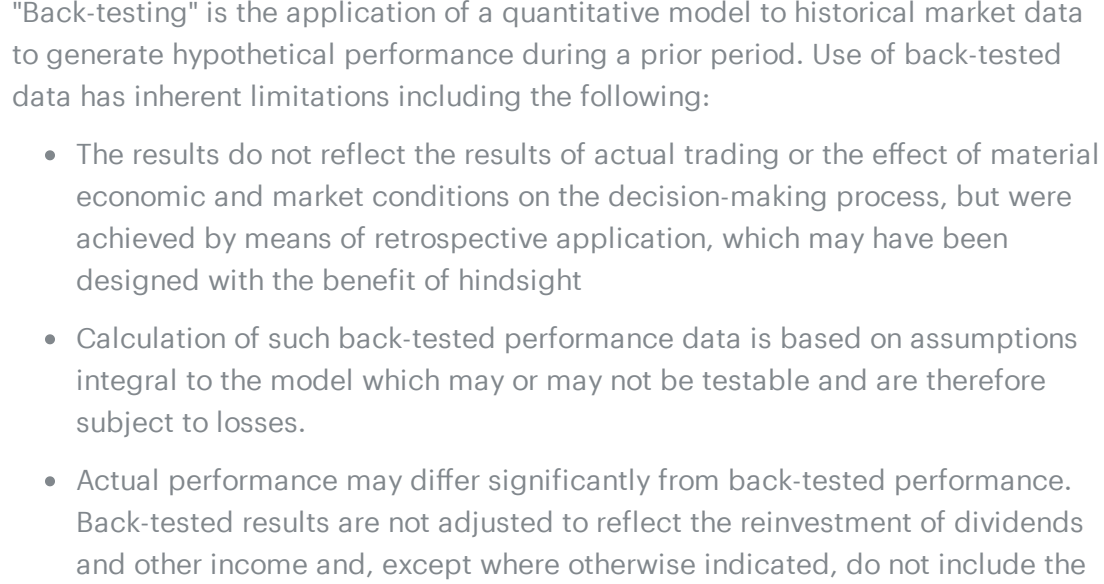
Past Performance Comparison with Equity Large & Mid Cap



Returns over various periods

3M Returns	6M Returns	1Y Returns	3Y Returns
smallcase 8.48%	smallcase 21.58%	smallcase 20.63%	smallcase 10.07%
Equity Lar... -42.32%	Equity Lar... -31.86%	Equity Lar... -44.34%	Equity Lar... -45.88%

How to invest



Definitions and Disclosures

Index Value

Index value for all smallcases start from 100 since their inception date and helps investors easily calculate the returns generated since inception or between two specific dates. For example, if the current index value of the smallcase is 150, it means it has generated 50% since its inception. If the index value of a smallcase was 215 last month and the current index value is 245, it means it has generated (245/215)-1 = 13.9% return in last one month

CAGR

CAGR (compounded annual growth rate) is a useful measure of growth or performance of a portfolio. It represents the growth/return rate that gets you to the current value of the investment, starting from the initial investment value and assuming that investment has been compounding at the fixed growth/return rate for the period.

In simple words, it indicates the annual return generated by the smallcase from the date of inception

Risk Label

Change in value of your investment, due to changing prices of stocks on a daily basis is called the Risk. If the daily change in the investment value of portfolio is too drastic, it means prices of stocks in the portfolio are changing very rapidly. Such portfolios have High Risk.

Every smallcase is categorized into one of the three risk buckets - High Risk, Moderate Risk and Low Risk. This is done by comparing the volatility of the smallcase with market volatility since inception. Investing in High Risk smallcases means that change in your investment values can be very sudden and drastic.

Segment

Stocks/ETFs belonging to a smallcase are categorized under different segments. Weightage of a segment is calculated as sum of weights of all stocks belonging to that segment. Suppose 4 stocks, with each having a weight of 10%, belong to the Food Products segment. Then the weight of the Food Product segment in the smallcase will be 40% (4*10)

Review

Rebalancing is the process of periodically reviewing and updating the constituents of a smallcase. This is done to ensure that stocks & weights in the smallcase continue to reflect the underlying theme or strategy

Market Cap Categorization of Stocks

All the stocks listed on NSE(National Stock Exchange) are arranged in decreasing order of Market Cap, so that the stock with the largest market cap gets 1st Rank. Stocks ranked equal to or below 100 are categorized as Large Cap. Stocks ranked below or equal to 250, but ranked above 100 are categorized as Mid Cap stocks. Stocks ranked above 250 are categorized as smallcap

Market Cap Categorization of smallcases

- If the sum of weights of constituent large cap stocks is greater than 50%, then smallcase is categorized as Largecap
- If the sum of weights of constituent mid cap stocks is greater than 50%, then smallcase is categorized as Midcap
- If the sum of weights of constituent small cap stocks is greater than 50%, then smallcase is categorized as Smallcap
- If the sum of weights of constituent large cap stocks is greater than 30%, sum of weights of mid cap stocks are greater than 30%, and sum of weights of large cap and mid cap stocks are greater than 80%, then smallcase is categorized as Large & Midcap
- If the sum of weights of constituent small cap stocks is greater than 30%, sum of weights of mid cap stocks are greater than 30%, and sum of weights is categorized as Mid & Smallcap
- If none of the above conditions are met, then smallcase is categorized as Multicap
- Marketcap category of a smallcase might be different from the above mentioned, if the creator/manager of the smallcase specifically defines a particular category

General Investment Disclosure

The content and data available in this document and related material, including but not limited to index value, return numbers and rationale are for information and illustration purposes only. Charts and performance numbers are backtested/simulated results calculated via a standard methodology and do not include the impact of transaction fee and other related costs. Past performance does not guarantee future returns.

All information present in this document and related material is to help investors in their decision making process and shall not be considered as a recommendation or solicitation of an investment or investment strategy. Investors are responsible for their investment decisions and are responsible to validate all the information used to make the investment decision. Investor should understand that his/her investment decision is based on personal investment needs and risk tolerance, and information available in this document and related material is one among many other things that should be considered while making an investment decision.

Stock and ETF investments are subject to market risks, read all related documents carefully. Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

Windmill Capital Disclosures

Windmill Capital Private Limited (hereinafter referred to as "the Company") is a SEBI registered Research Analyst having registration number - INH200007645 under SEBI (Research Analyst) Regulations, 2014. The registered address of the company is 51, 3rd Floor, Le ParcRichmonde, Richmond Road, Shanthala Nagar, Richmond Town, Bangalore - 560025. The Company is involved in research activities in Indian capital markets.

The Company has neither been suspended nor debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

The Company is not engaged in merchant banking, investment banking or any brokerage services.

Unless otherwise stated, the percentage returns displayed on the website or any other marketing materials are Absolute Returns.

Reports or research material prepared by the company are not to be construed as an offer to buy /sell or the solicitation of an offer to buy / sell any security in any jurisdiction where such offer or solicitation would be illegal. Reports or research material prepared by the company do not constitute a personal recommendation or take into account the particular investment objectives, financial situations, risk profile and needs of individual clients.

The content and data available in the material prepared by the company and on the website of the company, including but not limited to index value, return numbers and rationale are for information and illustration purposes only. Charts and performance numbers might include back tested/simulated results calculated via a standard methodology and do not include the impact of transaction fee and other related costs. Data used for calculation of historical returns and other information is provided by exchange approved third party data vendors and has neither been audited nor validated by the Company.

"Back-testing" is the application of a quantitative model to historical market data to generate hypothetical performance during a prior period. Use of back-tested data has inherent limitations including the following:

- The results do not reflect the results of actual trading or the effect of material economic and market conditions on the decision-making process, but were achieved by means of retrospective application, which may have been designed with the benefit of hindsight
- Calculation of such back-tested performance data is based on assumptions integral to the model which may or may not be testable and are therefore subject to losses.
- Actual performance may differ significantly from back-tested performance. Back-tested results are not adjusted to reflect the reinvestment of dividends and other income and, except where otherwise indicated, do not include the effect of back-tested transaction costs.
- Back-tested returns do not represent actual returns and should not be interpreted as an indication of such.

Information present in the material prepared by the company and on the website of the company shall not be considered as a recommendation or solicitation of an investment or investment strategy. Investors are responsible for their investment decisions and are responsible to validate all the information used to make the investment decision. Investor should understand that his/her investment decision is based on personal investment needs and risk tolerance, and information present in the material prepared by the company and on the website of the company is one among many other things that should be considered while making an investment decision.

Past performance does not guarantee future returns and performances of the portfolios created by the company are subject to market risk. Investments in securities market are subject to market risks and investors should read all the related documents carefully before investing. Derivatives are sophisticated investment products. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts.

While we endeavour to update the information / material on various products and reports created by us, on a reasonable basis, there may be regulatory, compliance or other reasons that prevent us from doing so.

We and our associates, officers, directors, and employees, Research Analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) forming part of the products or reports created by the company or (b) may have other potential/material conflict of interest with respect to any company(ies) in various products or reports created by the company. Any such positions of conflict of interest will be appropriately disclosed and dealt with in accordance with applicable law.

The Company does not provide any promise or assurance of favourable view for a particular industry or sector or business group in any manner. The investor is requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and take professional advice before investing.

The analysts for various products or reports created by the company certify that all of the information /material therein accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to company(ies) in various products or reports created by the company. No part of this material may be duplicated in any form and/or redistributed without the prior written consent of the Company.

Details of our Associates - Smallcase Technologies Private Limited (Holding Company) bearing CIN: U74900KA2015PTCO81722 with its registered office at No 51, 3rd Floor, Le ParcRichmonde, Richmond Road, Shantala Nagar Bangalore, 560 025.

Research Analyst Disclosures.

- Research Analyst has served as an officer, director or employee of subject company(ies): No
- We or our associates may have received compensation from the subject company(ies) in the past 12 months.
- We or our associates have managed or co-managed public offering of securities for the subject company(ies) in the past 12 months: No
- We or our associates have not received compensation for investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
- We or our associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
- We or our associates may have received compensation or other benefits from the subject company(ies) or third party in connection with the products or reports created by the company. Our associates may have financial interest in the subject company(ies).
- Research Analyst or his/her relative's financial interest in the subject company(ies): No
- The company has financial interest in the subject company(ies) at the end of the month immediately preceding the date of sharing of products or reports created by the company: No
- Nature of financial interest is holding of equity shares or derivatives of the subject company - Our associates do not have actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of sharing of products or reports created by the company.
- The subject companies may have been a client during the twelve months preceding the development and/or publication of products or reports created by the company and has received any compensation for services rendered to such subject company.
- Research Analyst or his/her relatives has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of sharing of products or reports created by the company: No
- The Company has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of sharing of products or reports created by the company: No

Registered office of Windmill Capital Private Limited-

#51, 3rd Floor, Le ParcRichmonde,
Richmond Road, Shanthala Nagar, Richmond Town,
Bangalore - 560025.

SEBI Research Analyst INH200007645
Support - Contact us at research@windmill.capital for any queries and assistance

Please visit [Windmill Capital](#) for detailed disclosures, terms and conditions.