

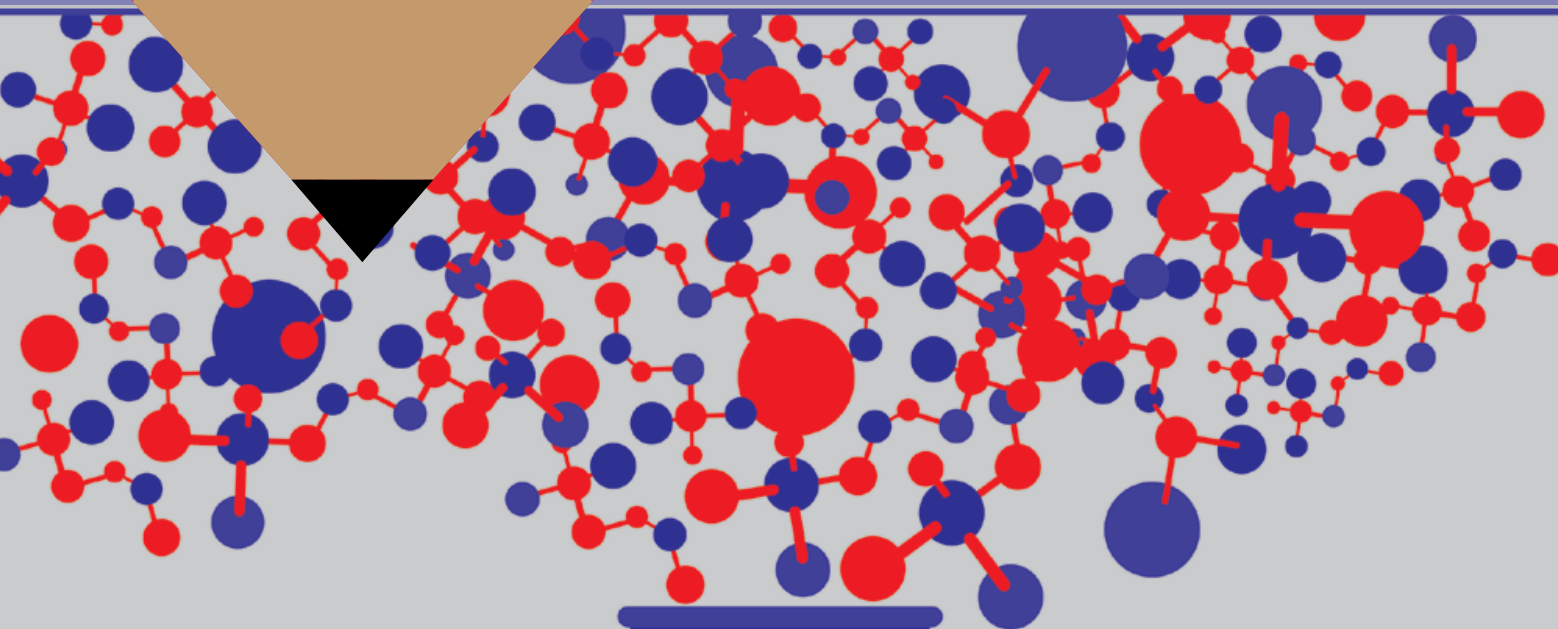
# GROUND VIEW

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29. Dr.Kai Pflug's view on Chinese chemical industry

32. INTERVIEW with Avadhesh Varshneya

37. PhillipCapital Coverage Universe Valuation Summary



**INDIAN  
SPECIALTY  
CHEMICALS**

**A MULTI-YEAR  
MULTIPLYING  
OPPORTUNITY**



## Ground View - Previous Issues

**GROUND VIEW** Vol 5. Issue 1. 1 - 28 Feb 2018

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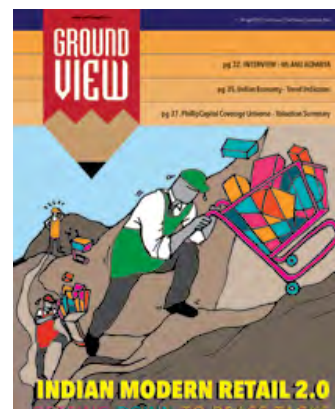
1st December 2017 Issue 6



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1st April 2017 Issue 3



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1st February 2017 Issue 1

## Letter from the MD

The Indian specialty chemicals industry delivered a stellar equity performance (3x returns) led by improving operating performance over the last two years. In fact, weakening Chinese competition in international markets (with China's regulatory clamp down) really complemented Indian chemicals' exports, improving their operating performance. This is in line with our earlier hypothesis – that Chinese policy restrictions could support the performance of Indian exports.

To revisit our thesis on China, and to understand how sustainable the dream run of Indian specialty chemicals is, our pharma and chemicals analyst Surya Narayan Patra visited China. Our findings, which include rigorous environmental policy initiatives over the next 5-7 years and structural operating cost escalation in China, suggest a **"MULTI-YEAR AND MULTIPLYING CHEMICAL EXPORTS OPPORTUNITY FOR INDIA"**. Surya, the author of this edition, takes you through China's national priorities, which favour the Indian industry. He also outlines potential beneficiaries.

Hope you enjoy reading this insightful piece about the Chinese and Indian chemicals industries, particularly potential opportunities for the Indian industry.

Best wishes

**Vineet Bhatnagar**

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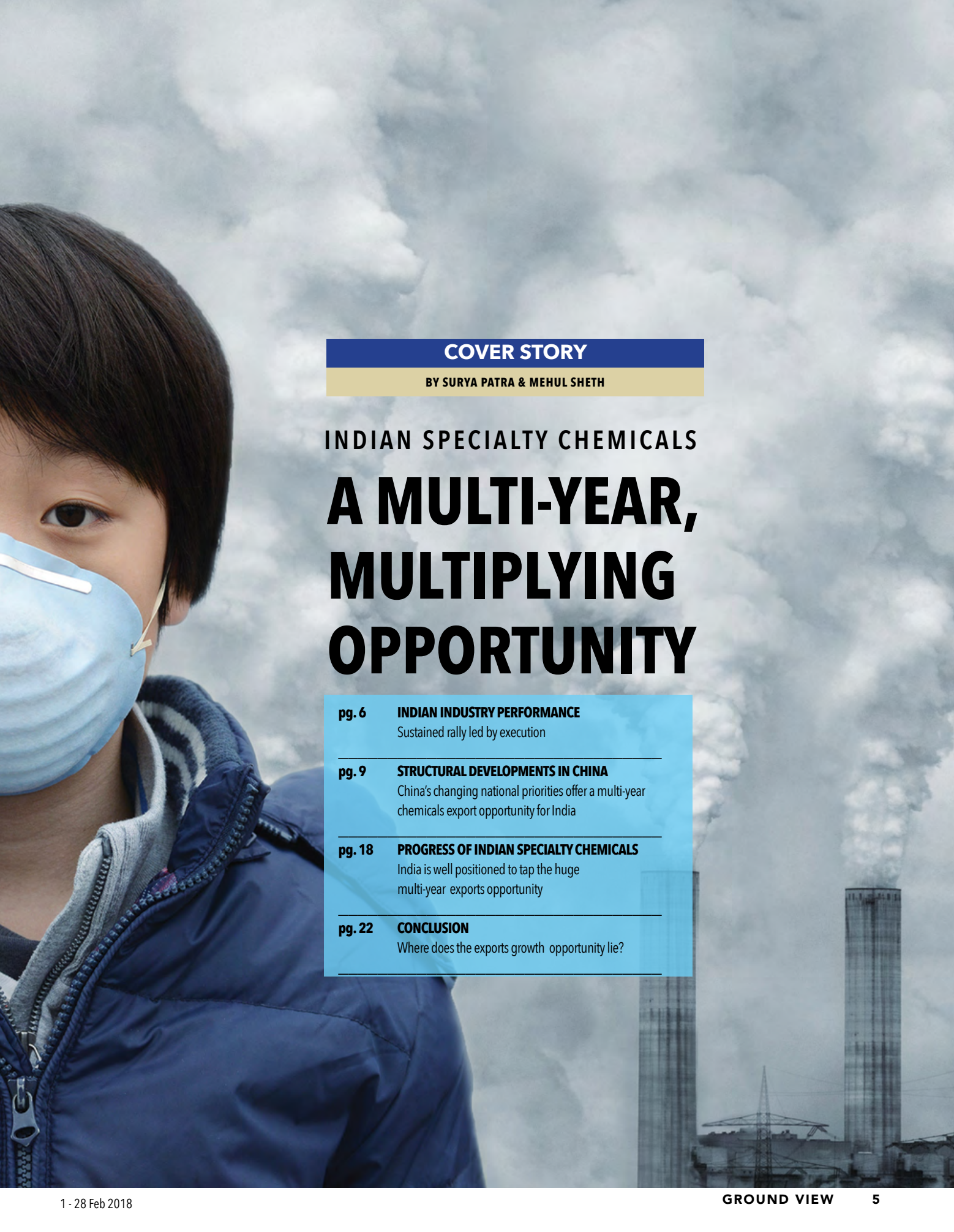
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## COVER STORY

BY SURYA PATRA & MEHUL SHETH

INDIAN SPECIALTY CHEMICALS

# A MULTI-YEAR, MULTIPLYING OPPORTUNITY

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