

## **Joint Media Release**

### **BASF to partner with Adani to evaluate investment in acrylics value chain in Mundra, India**

- **BASF's first CO<sub>2</sub>-neutral site; to be 100% powered by renewable energy**
- **BASF's largest investment in India to establish Mundra as a unique chemical cluster**
- **New assets would support "Make in India" initiative by supplying growing demand from local customer industries**

**Ludwigshafen, Germany, and Ahmedabad, India – January 17, 2019** – BASF SE, headquartered in Ludwigshafen, Germany ("BASF") and Adani Group ("Adani") have signed a Memorandum of Understanding (MoU) on the eve of the Vibrant Gujarat Global Summit 2019, to evaluate a major joint investment in the acrylics value chain. This would be BASF's largest investment in India to date. The designated site would be located at Mundra port in Gujarat, India. A feasibility study will be completed by the end of 2019.

According to the MoU, BASF and Adani want to establish a joint venture with an investment totaling about €2 billion (approximately INR 16,000 crore), in which BASF will hold the majority. The potential investment comprises the development, construction and operation of production plants including propane dehydrogenation (PDH), oxo C4 complex (butanols and 2-ethylhexanol), glacial acrylic acid (GAA), butyl acrylate (BA) and potentially other downstream products. The products are predominantly for the Indian market to serve a wide range of local industries, including construction, automotive and coatings, whose growing demand is currently supplied via imports, thus supporting the "Make in India" initiative.

On this occasion, Gautam Adani, Chairman of the Adani Group, said: "India continues to be a very large importer of petrochemicals given the rapid expansion of the middle class, and this leads to a significant outflow of precious foreign



exchange. Our partnership with BASF is a big step forward in enabling our country's 'Make in India' program, as this partnership will allow us to produce in Mundra several of the chemicals along the C3 chemical value chain that we are currently importing. Mundra's infrastructure is ideally suited to enable chemicals production, and our ability to deliver renewable power makes this a unique partnership on several fronts."

"BASF's intention to invest in a major new site for the acrylics value chain in India clearly demonstrates our strong and long-term commitment to our Indian customers. Together with the Adani Group, we would have the opportunity to provide our customers with high-quality chemicals and support them in growing their business. With our production powered by renewable energy, we would be able to minimize our impact on the environment," said Dr. Martin Brudermüller, Chairman of the Board of Executive Directors, BASF SE.

In line with BASF's carbon neutral growth strategy, the chemical site in Mundra would be the company's first CO<sub>2</sub>-neutral production site. The companies have developed an overall plan including new technologies and the supply of the site with 100% renewable energy. Therefore, in addition to the investment outlined in this MoU, BASF plans to co-invest as a minority partner in a wind and solar park.

#### **About BASF**

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The more than 115,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of more than €60 billion in 2017. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (BAS). Further information at [www.basf.com](http://www.basf.com).

#### **About Adani Group**

Headquartered in Ahmedabad, India, Adani Group is one of India's largest integrated infrastructure conglomerates with interests in Resources (coal mining and trading), Logistics (ports, logistics, shipping and rail), Energy (renewable and thermal power

generation, transmission and distribution), and Agro (commodities, edible oil, food products, cold storage and grain silos), Real Estate, Public Transport Infrastructure, Consumer Finance and Defence. Adani owes its success and leadership position to its core philosophy of 'Nation Building' and 'Growth with Goodness' - a guiding principle for sustainable growth. The Group is committed to protecting the environment and improving communities through its CSR programme based on the principles of sustainability, diversity and shared values. Further information at [www.adani.com](http://www.adani.com).

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