



Ref: Secy/NSE

4<sup>th</sup> April 2024

The Manager,  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G  
Bandra-Kurla Complex, Bandra (East)  
Mumbai – 400 051

Symbol: SPIC

Dear Sir,

Sub: Press Release

Please find attached an advance copy of the "Press Release" titled "SPIC achieves 100% transition to Natural Gas, enhancing environmental sustainability" to be sent to Press.

Thanking you

Yours faithfully,

For Southern Petrochemical  
Industries Corporation Ltd.

M B Ganesh  
Secretary

Encl: As above

Southern Petrochemical Industries Corporation Limited

(CIN: L11101TN1969PLC005778)

REGISTERED & CORPORATE OFFICE : "SPIC HOUSE", No. 88, Mount Road, Guindy, Chennai - 600 032 India.

Phone : +91 (44) 2235 0245 | E: spiccorp@spic.co.in | Web : www.spic.in

Press release

For Immediate release

## SPIC achieves 100% transition to Natural Gas, enhancing environmental sustainability

- *The move is aimed at reducing raw material input costs and increasing profitability.*
- *It will help ensure a clean and steady supply of natural gas, reducing logistics, freight, and storage requirements.*

**April 04, 2024, Chennai:** Southern Petrochemical Industries Corporation Ltd. (SPIC), one of India's pioneering agri-nutrient and fertilizer company, has completely transitioned to 100% Natural Gas as a raw material source for the production of Urea. Urea, a widely used fertilizer, has the molecular formula  $\text{NH}_2\text{CO}(\text{NH}_2)_2$ . It contains the elements nitrogen, hydrogen, carbon, and oxygen. Carbon and hydrogen can be extracted from fuel oil, naphtha, and natural gas, while nitrogen and oxygen are taken from the atmosphere.

The completion of the Indian Oil Corporation's (IOC) SRPL team's Ennore cross-country pipeline and ONGC supply of domestic gas through IOCL cross country pipeline presented SPIC with an opportunity to transition to a cleaner fuel source. Embracing this opportunity, SPIC agreed to consume domestic gas and re-gasified liquefied natural gas (R-LNG). In preparation for this transition, SPIC adapted its primary reformer catalyst to handle 100% natural gas. SPIC is one of the anchor customers to benefit from this pipeline.

Until March 2024, SPIC utilized a combination of fuels, with 60% of its domestic natural gas supplied through the Indian Oil Corp Limited (IOCL) Ramnad Tuticorin Pipeline from Oil and Natural Gas Corporation Limited (ONGC), Ramnad.

Congratulating the team on this achievement, **Ashwin Muthiah, Chairman, SPIC** said, "SPIC has been one of India's pioneering fertilizer companies for over five decades. We are pleased to announce the successful transition to 100% natural gas for Urea production. This shift aligns with our commitment to environmental sustainability and underscores our responsiveness to government policies promoting cleaner fuel sources. We remain committed to implementing carbon-neutral initiatives in our raw material usage and manufacturing processes, thus contributing to global climate action goals."



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This will bring down the final cost of production of fertilizers. Feedstock will now be continuously available with no storage requirements and minimum logistics and freight overheads. India is eager to increase gas share in its energy basket from 6.3 percent currently to 15 per cent.

By achieving complete reliance on natural gas, SPIC demonstrates its commitment to reducing the environmental impact of its operations and advancing sustainability goals.

Fuel oil and naphtha were traditionally the primary fuels in fertilizer production, despite their higher impurity levels and environmental pollution potential. Recognizing the importance of ecological conservation, the Government of India has advised all fertilizer manufacturers to switch to natural gas. This is a significant step towards India's *Urja Aatmanirbharta* (Energy Self-reliance) program.

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**For editorial queries, please contact:**

Mr Rohit Yagnik

Partner, Fortuna PR

