

Sep 3, 2025

To  
BSE Limited  
Corporate Relationship Department,  
2nd Floor, New Trading Wing,  
Rotunda Building, P.J. Towers,  
Dalal Street, Mumbai-400001.

Dear Sir/Madam,

Scrip Code: **517166**

Sub: **Intimation of Annual Report for FY 2024-25 under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**


In Compliance with Regulation 30, 34 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice of the SPEL 40<sup>th</sup> Annual General Meeting (AGM) and Annual Report for the Financial year ended Mar 31, 2025 which is being sent to shareholders of the company.

The Annual Report and Notice is available on the Company's website at

<http://natronix.net/fin2024-25.html>

This is for your kind information and records.

Thanking You,  
Yours faithfully  
For SPEL Semiconductor Limited



**P. Balamurugan**  
Head Operations & Whole-Time Director  
DIN: 07480881



**SPEL Semiconductor Limited**

An IC Assembly & Test Company

**40<sup>th</sup> Annual Report**  
**Financial Year 2024-25**

*Defining the Future through Partnerships*

**Board of Directors**

1. Mr. S. Chandramohan	Independent Director
2. Dr. Enakshi Bhattacharya	Independent Director
3. Dr. E. Nakkeeran	Non-Executive - Non-Independent Director
4. Mr. Ramanujam Venkatesh (Appointed with effect from 17.06.2024)	Independent Director
5. Dr. V. V. Meenakshi (Appointed with effect from 24.06.2024)	Non-Executive - Non-Independent Director
6. Mr. P. Balamurugan	Whole-Time Director

**Company Secretary**

Ms. Nupur Garg (Appointed with effect from Aug 14, 2024)

**Chief Financial Officer**

Mr. T. Parthasarathy

**Auditors**

**M/s. Venkatesh & Co.,**

Chartered Accountants

(FRN:004636S),

"Sri Ranga", New No. 151, Mambalam High Road, T. Nagar, Chennai- 600 017.

**Registered Office & Factory**

5, CMDA Industrial Estate,  
Maraimalai Nagar,  
Chennai- 603209, India

**Bankers** Indian Overseas Bank

**Registrar & Share Transfer Agent**

**Cameo Corporate Services Limited**

Subramanian Building, 1, Club  
House Road, Anna Salai, Chennai - 600002

Phone: +91-44-4002 0700

Online Investor Portal:

<https://wisdom.cameoindia.com>

Website: <http://www.cameoindia.com>

**General Information**

(a) Company's Corporate Identification Number (CIN): L32201TN1984PLC011434

(b) Company's Shares Listed at BSE Ltd.

(c) Company's Shares are mandated for trading in Demat mode.

(d) ISIN allotted to Company's share is INE252A01019

**40th Annual General Meeting Date & Time**

Sep 26, 2025 at 2:45 P.M.

**Venue**

Through Video Conferencing

**Book closure**

Sep 20, 2025 to Sep 26, 2025 (both days inclusive)

## Previous 10 Years Performance

Rs. In Lakhs

	2024-25	2023-24	2022-23	2021-22	2020-21
<b>Sales</b>	7,86.42	12,00.41	11,16.46	9,48.68	15,92.11
<b>PBIDT</b>	(4,02.89)	(1,15.86)	10,90.40	(89.63)	(17.36)
<b>Finance Cost</b>	2,88.48	2,57.02	2,56.12	1,21.94	1,16.45
<b>PBDT</b>	(6,03.29)	(3,72.88)	8,34.37	32.31	(4,13.89)
<b>Depreciation</b>	2,00.5	2,87.91	3,94.95	4,69.23	4,30.44
<b>PBT</b>	(21,49)	(16,36.96)	(4,51.77)	(12,47.81)	(8,44.33)
<b>Tax Expense</b>	(44.35)	41.78	1,42.87	28.93	19.17
<b>PAT</b>	(21,04.7)	(16,78.74)	(3,08.90)	(12,76.74)	(8,63.50)
<b>Net Profit</b>	(21,04.7)	(16,78.74)	(3,08.90)	(12,76.74)	(8,63.50)

	2019-20	2018-19	2017-18	2016-17	2015-16
<b>Sales</b>	36,53.74	26,33.74	41,66.31	35,53.22	25,85.04
<b>PBIDT</b>	7,78.22	(3,01.68)	86.31	(22,98.94)	(9,86.62)
<b>Finance Cost</b>	1,42.61	2,84.37	2,89.16	2,15.67	3,04.40
<b>PBDT</b>	6,35.61	(5,86.05)	(2,02.85)	(25,14.61)	(12,91.02)
<b>Depreciation</b>	4,98.24	5,14.81	6,30.57	6,93.33	10,71.32
<b>PBT</b>	1,37.37	(11,00.86)	(8,33.42)	(32,07.94)	(23,62.34)
<b>Tax Expense</b>	29.29	(27.28)	13.64	(1,47.54)	(3,83.33)
<b>PAT</b>	1,08.08	(10,73.58)	(8,47.06)	(30,60.40)	(19,79.00)
<b>Net Profit</b>	1,08.08	(10,73.58)	(8,47.06)	(30,60.40)	(19,79.00)

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## **AGM Notice**

Notice is hereby given that the **40<sup>th</sup> Annual General Meeting of the Members of SPEL Semiconductor Limited will be held on Friday the Sep 26, 2025 at 2:45 P.M. (IST)** through Video Conferencing ("VC") /Other Audio –Visual Mechanism ("OAVM") to transact the following business :

### **Ordinary Business:**

#### **1. Adoption of Audited Financial Statements**

To receive, consider and adopt the Balance Sheet as at Mar 31, 2025 and the Statement of Profit and Loss and Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, together with the Reports of the Directors and the Auditors thereon.

#### **2. To appoint a Director in the place of Dr. Nakkeeran Ekambaram (DIN: 08638679) who retires by rotation and being eligible, offers himself for re-appointment:**

To appoint a Director in place of Dr. Nakkeeran Ekambaram (DIN: 08638679), who retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

### **Special Business:**

#### **3. To approve conversion of ₹6,95,00,000/- Unsecured Loans into Preference Shares**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Sections 42, 55, 62 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any Statutory Modifications or Re-enactments thereof, for the time being in force), and subject to the approval of the Shareholders of the Company and such other approvals, consents and permissions as may be required, the consent of the Board be and is hereby accorded to convert Unsecured Loans aggregating to ₹6,95,00,000/- (Rupees Six Crore Ninety-Five Lakh only) received from Dr. A.C. Muthiah into Non-Convertible Redeemable Preference Shares of ₹ 100 each at par.

**RESOLVED FURTHER THAT** the preference shares to be issued on conversion shall carry such rights, privileges, and terms and conditions as may be decided by the Board and in accordance with applicable laws.

**"RESOLVED FURTHER THAT** the Directors of the Company be and are hereby authorized severally to do all such Acts, Deeds and Things as may be necessary and incidental to give effect to the above Resolution."

#### **4. Approval to Sell, Lease or otherwise dispose of whole or substantially the whole of the undertaking(s) of the Company**

To consider and if thought fit, to pass the following resolution as a **"Special Resolution**;

**"RESOLVED THAT**, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with relevant rules made thereunder, and any other applicable provisions, including any modification(s) thereto or re-enactments thereof for the time being in force, subject to the provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, sanctions, consents and permissions as may be necessary to be obtained, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include a Committee thereof) to sell or transfer or otherwise dispose of the land to an extent of not exceeding 1.823 Acres situated at 5, CMDA Industrial Estate, Maraimalai Nagar on behalf of the Company at such consideration, with effect from such date, in such manner and on such terms and conditions as may be deemed appropriate and decided by the Board, with the power to the Board to finalise and execute all the required documents, memoranda, deeds of assignment/ conveyance /sale and any other incidental documents with such modifications as may be required from time to time."

**“FURTHER RESOLVED THAT** the Board be and is hereby authorized to execute any documents, Deeds or writings as may be executed in relation to the transfer and vesting of the Business Undertaking and to make applications to the regulatory and government authorities for the purpose of obtaining all approvals and sanctions as required to be obtained by the Company in this regard”

**“FURTHER RESOLVED THAT** the Board be and is hereby authorized to do all such Acts and Deeds as may be necessary, proper, desirable and / or expedient to give effect to this resolution, to settle any questions, difficulties or doubts that may arise in regard to such sale / disposal and transfer of the Business Undertaking as they may in their absolute discretion deem fit and as may be necessary for the completion of the transaction as aforesaid in the best interest of the Company”

**5. To Appoint Dr. Nagarajan Govindan (DIN: 08259812) as an Independent Director of the Company:**

To consider and if thought fit, to pass the following resolution as a **“Special Resolution;**

**“RESOLVED THAT** pursuant to provisions of Section 149,150,152,161, Schedule IV and other applicable provisions of the Companies Act 2013(“the act”) read with Rules framed thereunder, and applicable provisions of the SEBI ( Listing Obligation and Disclosure Requirements) Regulation,2015 (“the LODR Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Dr. Nagarajan Govindan (DIN: 08259812), who was appointed as an Additional Director in the capacity of an Independent Director with effect from Aug 13, 2025, who meets criteria for independence under Section 149(6) of the Act and the rules made there under, , be and is hereby appointed as an Independent Director of the Company for the first term of 5 years commencing from Aug 13, 2025 to Aug 12, 2030 and that he shall not be liable to retire by rotation.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized on behalf of the Company, to do all such Acts, Deeds and Things as they deem necessary and incidental for the purpose of giving effect to the aforesaid resolution.”

**6. Approval for Mr. Swaminathan Chandramohan (DIN: 00052571) for acting as Director beyond the age limit of Seventy-Five years**

To consider and if thought fit, to pass the following resolution as a **“Special Resolution;**

**“RESOLVED THAT** pursuant to the provisions of Regulation 17 (1A) of the SEBI (LODR) Regulations, 2015, approval of the Members be and is hereby accorded to Mr. Swaminathan Chandramohan (DIN: 00052571), for continuing as a Director beyond the age limit of Seventy-Five years.”

**RESOLVED FURTHER THAT** any one of Directors or Company Secretary of the Company be and is hereby authorised to file necessary e-Forms with the registrar of companies, and do all necessary Acts, Deeds and Things in this regard.”

**7. Appointment of Secretarial Auditor**

To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution:**

**“RESOLVED THAT,** pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions, if any, subject to the approval of Members at their Meeting the Board of Directors be and hereby recommends appointment of M/s. S Dhanapal & Associates LLP Practicing Company Secretaries having

Firm Registration No L2023TN014200 and Peer review No.1107/2021, as Secretarial Auditor of the Company for conducting the Secretarial Audit for a period of Five Financial years starting from Apr 1, 2025 to Mar 31, 2030 at a Remuneration as may be mutually agreed between the Company and M/s. SPEL Semiconductor Limited

**“RESOLVED FURTHER THAT,** the Board of Directors of the Company and / or the Company Secretary be and are hereby severally authorised to sign relevant Document, Agreements and file necessary forms with the Ministry of Corporate Affairs (MCA) and to do all such Acts, Deeds and Things as may be necessary to give effect to the above Resolution.”

**Place : Chennai**

**Date : Aug 13, 2025**

**By order of the Board  
For SPEL Semiconductor Limited**

**Sd/-**

**P. Balamurugan  
Head Operations & Whole-Time Director**

**DIN : 07480881**

**Notes :**

- 1.** The Ministry of Corporate Affairs ('MCA'), inter alia, vide its General Circular No(s). 14/2020 dated Apr 8, 2020, 17/2020 dated Apr 13, 2020, 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being General Circular No. 09/2023 dated Sep 25, 2023, (collectively referred to as 'MCA Circulars'), has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Further, towards this, the Securities and Exchange Board of India ('SEBI'), vide its Circular(s) dated May 12, 2020, Jan 15, 2021, May 13, 2022, Jan 5, 2023, Oct 6, 2023, and Oct 7, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard from time to time, has provided relaxations from compliance with certain provisions of the SEBI Listing Regulations.
- 2.** In Compliance with the applicable provisions of the Act, SEBI Listing Regulations, MCA Circulars and SEBI Circulars, the 40th AGM of the Company will be held through VC / OAVM on Friday, Sep 26, 2025 at 2:45 p.m. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated 5, CMDA Industrial Estate, Maraimalai Nagar, Tamil Nadu, India, 603 209
- 3.** As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
- 4.** The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more Shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 5.** The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 6.** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated Apr 8, 2020, Apr 13, 2020, May 05, 2020 and May 5, 2022 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an Agreement with Central Depository Services Ltd for facilitating Voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-Voting system as well as voting on the date of the AGM will be provided by CDSL.
- 7.** In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated Apr 13, 2020, the Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at [www.natronix.net](http://www.natronix.net). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. <https://www.evotingindia.com>
- 8.** AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated Apr 8, 2020 and MCA Circular No. 17/2020 dated Apr 13, 2020, MCA Circular No. 20/2020 dated May 5, 2020, MCACircularNo.2/2021 dated Jan 13, 2021 and May 5, 2022, Dec 28, 2022 and Sep 25, 2023.

9. Notice is being sent through e-mail to all the shareholders as on Sep 5, 2025 who have registered their e-mail addresses with the Company/RTA.
10. Shareholders who have not received the Notice due to change/ non-registration of their e-mail address with the Company/ RTA/ Depository Participants, they may request for the Notice by sending an email at <http://wisdom.cameoindia.com> along with a scanned copy of Share Certificate/Client Master. Post receipt of such request, the shareholder would be provided soft copy of the Notice and the procedure for e-voting along with the User ID and the Password.
11. Mr. N. Ramanathan, Designated Partner of M/s. S Dhanapal & Associates LLP, Practicing Company Secretaries, Chennai is appointed as the scrutinizer to scrutinize the e-voting at AGM and remote e-voting process in a fair and transparent manner.
12. The details of Directors seeking appointment/ re-appointment/ re-designation, in terms of Regulation 36(3) of the SEBI Listing Regulations and the Act (including Secretarial Standard-2 on General Meetings), are given in the Corporate Governance Report and annexed hereto and form part of this Notice.
13. Corporate Members intending to send their authorized representative to attend Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
14. Members are requested to register their eMail ID with the Company or its RTA or their depository participant to enable the Company to send the Notices and other reports through eMail.
15. Institutional shareholders (i.e. other than individuals, Hindu Undivided Family, Non-resident Indians etc.) are required to send a scanned copy (PDF/ JPG Format) of their Board resolution/authority letter/power of attorney etc., authorizing their representatives to attend/participate in the AGM through VC/ OAVM on their behalf and to vote through remote e-voting. The said resolution/ authority letter/ power of attorney, etc. shall be sent to the Scrutinizer by eMail through their registered eMail Address [secretarial@csdhanapal.com](mailto:secretarial@csdhanapal.com) with a copy marked to [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
16. Pursuant to Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will be closed from Sep 20, 2025 to Sep 26, 2025, (both days inclusive) for the purpose of AGM.
17. As per Regulation 40 of SEBI Listing Regulations, as Amended, Securities of listed companies can be transferred only in dematerialized form with effect from Apr 1, 2019, except in case of request received for transmission and transposition of securities. In view of this and to eliminate all risks associated with Physical Shares and for ease of portfolio Management, Members holding shares in physical forms are requested to consider converting their holdings to dematerialized form. Members can contact the Company or RTA, Cameo Corporate Services Limited, in this regard.
18. To support the 'Green Initiative' Members who have not yet registered email addresses are requested to register the same with their DP's in case the shares are held by them in Electronic form and with RTA in case the shares are held by them in physical form.
19. Members are requested to notify immediately any change pertaining to Postal Address, eMail Address, Telephone/Mobile Numbers, Permanent Account Number (PAN), Mandates, Nomination, Power of Attorney, Bank details such as name of the Bank and branch details, Bank Account Number, MICR code, IFSC code to their Depositories Participants (DPs) in respect of their electronic Share accounts and to RTA of the Company in respect of their Physical Share folios, if any.
20. Pursuant to the provisions of Section 72 of the Companies Act 2013, the Member(s) holding Shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the Shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat



form may contact their respective DP for availing this facility.

21. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
22. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
23. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible.
24. The Company has designated an exclusive eMail ID namely: [ca@spel.com](mailto:ca@spel.com) for receiving and addressing investors' grievances. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Sep 20, 2025 through eMail on [ca@spel.com](mailto:ca@spel.com). The same will be replied by the Company suitably.
25. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form are requested to submit their PAN details to the RTA.
26. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their Bank details, change of Address, change of Name, eMail Address, Contact Numbers etc. to their respective Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the RTA, Cameo Corporate Services Limited, to provide efficient and better services. Members holding Shares in physical form are requested to intimate such changes to RTA.
27. The Shareholders shall have one vote per equity share held by them. The facility of e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders.
28. The remote e-Voting period commences, Sep 23, 2025 at 10.00 A.M. (IST) and ends on Sep 25, 2025 at 5.00 P.M. (IST). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Sep 20, 2025, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
29. Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently. Those Members, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.
30. Any person, who acquires Shares of the Company and becomes a Shareholder of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date i.e. Sep 20, 2025, may obtain the login ID and Password by sending a request at <http://wisdom.cameoindia.com>
31. The Scrutinizer shall, immediately after the conclusion of Voting at the Annual General Meeting, first count the Votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting and make not later than 48 hours from the conclusion of Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the Chairman or a person authorized by him in writing who shall countersign the same.
32. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.natronix.net](http://www.natronix.net) and on the website of CDSL within two (2) days of passing of the resolutions at



the Annual General Meeting of the Company and communicated to the BSE Limited.

33. Additional information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) & 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – II issued by the Institute of Company Secretaries of India. In respect of Special Business, the explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act") is attached with this notice.
34. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of Income Tax PAN, KYC details (i.e., Postal Address with Pin Code, e-Mail Address, Mobile Number, Bank Account details) and nomination details by holders of securities. Effective from Jan 1, 2022, any service requests or complaints received from the Member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after Apr 1, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at [www.natronix.net](http://www.natronix.net).

**The Instructions for Members for Remote e-Voting and joining General Meeting are as under :**

The remote e-Voting period commences, Sep 23, 2025 at 10.00 A.M. (IST) and ends on Sep 25, 2025 at 5.00 P.M. (IST). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Sep 20, 2025, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

**The Instructions of Shareholders for e-Voting and joining Virtual Meetings are as under :**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual Shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in Physical mode and non-individual Shareholders in demat mode.

I. The voting period begins on Sep 23, 2025 at 10.00 A.M. (IST) and ends on Sep 25, 2025 at 5.00 P.M (IST). During this period Shareholders of the Company, holding shares either in Physical form or in dematerialized form, as on the cut-off date of Sep 20, 2025 may cast their Vote electronically. The e- Voting module shall be disabled by CDSL for voting thereafter.

II. Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting venue.

III. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated Dec 9, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its Shareholders, in respect of all Shareholders' resolutions. However, it has been observed that the participation by the public non-institutional Shareholders/retail Shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple userIDs and passwords by the Shareholders.

In order to increase the efficiency of the Voting process, pursuant to a public consultation, it has been decided to enable e-Voting to all the Demat Account Holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual Shareholders holding shares in demat mode.

IV. In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated Dec 9, 2020 on e- Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their Mobile Number and email Id in their Demat accounts in order to access e-Voting facility.

Pursuant to aforementioned SEBI Circular, Login method for e-Voting and joining virtual Meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are</p> <p><b><a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a></b> or visit <b><a href="http://www.cdslindia.com">www.cdslindia.com</a></b> and click on Login icon and select New System Myeasi.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information</p> <p>provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining Virtual Meeting &amp; Voting during the Meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at <b><a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></b></p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <b><a href="http://www.cdslindia.com">www.cdslindia.com</a></b> home page or click on <b><a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a></b> The system will authenticate the user by sending OTP on registered Mobile &amp; eMail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services

Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>Website of NSDL. Open web browser by typing the following URL: <b><a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></b> either on a Personal Computer or on a Mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your Vote during the remote e-Voting period or joining virtual Meeting &amp; Voting during the Meeting</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/ideasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/ideasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a Mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the Meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your Vote during the remote e-Voting period or joining virtual Meeting &amp; Voting during the Meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <b><a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a></b> or contact at toll free no. 180022 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <b><a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a></b> or

	call at toll free no: 1800 1020 990 and 1800 22 44 30
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**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in Physical mode and non-individual Shareholders in Demat mode.

**V. Login method for e-Voting and joining virtual Meetings for Physical Shareholders and Shareholders other than individual holding in Demat form.**

- 1) The Shareholders should log on to the e-Voting website **www.evotingindia.com**.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier e-voting of any Company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical Shareholders and other than individual Shareholders holding shares in Demat.</b>
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat Shareholders as well as Physical Shareholders)
	Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details  <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.  If both the details are not recorded with the depository or Company, please enter the Member id / folio number in the Dividend Bank details field.

VI. After entering these details appropriately, click on "SUBMIT" tab.

VII. Shareholders holding Shares in Physical form will then directly reach the Company selection screen. However, Shareholders holding Shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



VIII. For Shareholders holding shares in Physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

IX. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

X. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

XI. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

XII. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your Vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your Vote.

XIII. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

XIV. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

XV. If a Demat Account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

XVI. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

**XVII. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to Vote on
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their Vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution / Authority Letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote to the Scrutinizer and to the Company at the eMail Address viz: [pbalamurugan@spel.natronix.net](mailto:pbalamurugan@spel.natronix.net) (designated eMail Address of the Company), if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same

**Instructions for Shareholders attending the AGM/EGM through VC / OAVM & e-Voting during Meeting are as under :**

1. The procedure for attending Meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-Voting.
2. The link for VC/OAVM to attend Meeting will be available where the EVSN of Company will be

displayed after successful login as per the instructions mentioned above for e-Voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to Vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to Meeting mentioning their Name, Demat Account Number/Folio Number, eMail ID, Mobile Number at (Company eMail ID). The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to Meeting mentioning their Name, Demat Account Number/Folio Number, eMail ID, Mobile Number at (Company eMail ID). These queries will be replied to by the Company suitably by eMail.
8. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.
9. Only those Shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their Vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to Vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the Shareholders through the e-Voting available during the EGM/AGM and if the same Shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e- voting during the Meeting is available only to the shareholders attending the Meeting.

**Process for the Shareholders whose eMail / Mobile No. are not Registered with the Company / Depositories.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by eMail to **Company/RTA email ID**.
2. For Demat Shareholders -, Please update your eMail ID & Mobile no. with your respective **Depository Participant (DP)**
3. For Individual Demat Shareholders – Please update your eMail ID & Mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual Meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an eMail to **helpdesk.evoting@cdslindia.com** or contact at toll free no. 180022 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an eMail



to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33. (East), Mumbai – 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022- 23058542/43.

i. The facility of e-Voting shall also be made available at the Meeting. Members attending the Meeting who have not already cast their vote by remote e-Voting facility shall be able to exercise their right at the Meeting. If any Votes are cast by the Member through the e-Voting available during the AGM but the Member does not participate in the Meeting through VC/OAVM facility, then the votes cast by such Member shall be considered invalid as the facility of e-Voting during the Meeting is available only to the Member attending the Meeting.

ii. The Members who have cast their vote by remote e-Voting facility prior to the Meeting may also attend the Meeting but shall not be entitled to cast their Vote again at the Meeting. If a Member cast their Vote again, then Votes cast through remote e-Voting facility shall prevail and Voting at the Meeting will be treated invalid.

iii. The Voting rights of the Members shall be in proportion to their share of the paid-up Equity Share Capital of the Company as on the cut-off date of Sep 20, 2025. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cutoff date only shall be entitled to avail the facility of remote e-Voting or Voting at the AGM. Any person who has ceased to be the Member of the Company before the cut-off date will not be entitled for remote e-Voting or Voting at the Meeting. Any person, who becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at [investor@cameoindia.com](mailto:investor@cameoindia.com). However, if any Member is already registered with CDSL for e-voting then he/she can use his/her existing user ID and password / PIN for casting their vote.

#### **Member Queries with Respect to Annual Report or Businesses as Stated in the AGM Notice:**

(i) For smooth conduct of AGM proceedings, Members who wish to receive information with respect to Company's Annual Report for the year 2023 or have questions with regard to the financial statements and the matters to be placed at this AGM, can send their request by providing their name, demat account number / folio number from their registered eMail ID to [ca@spel.com](mailto:ca@spel.com), at least 48 hours in advance before the start of Meeting i.e. by Sep 24, 2025, 11:00 AM. (IST).

(ii) Members who wish to ask questions or express their views at the AGM may register themselves as a 'Speaker' by sending their request by providing their name, demat account number / folio number and mobile number from their registered eMail ID to [ca@spel.com](mailto:ca@spel.com), at least 48 hours in advance before the start of Meeting i.e. by Sep 24, 2025, before 11:00 A.M. (IST). Those Members who have registered themselves as a speaker will only be allowed to speak at the Meeting.

**Members may note that the Company reserves the right to restrict the number of questions and number of speakers during the AGM, depending upon availability of time and for conducting the proceedings of the Meeting smoothly.**

**Inspection of Documents:** The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the Members during the AGM. All documents referred to in the AGM Notice and Explanatory Statement will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of the ensuing Annual General Meeting between 14.00 hours to 16.00 hours (IST) on all working days (except Saturdays, Sundays and Holidays). Members seeking to inspect such documents can send an email to [ca@spel.com](mailto:ca@spel.com)

**Dissemination of AGM Notice & Annual Report:** Electronic copy of the Annual Report for the Financial Year 2023 including the AGM Notice of the Company, inter-alia, indicating the process and manner of electronic Voting ("e-Voting") is being sent to all the Members whose email addresses are registered with the Company/Depository Participant(s), for communication purposes, unless any Member has requested

for a hard copy of the same. For Members who have not registered their eMail Addresses, hard copies of the Annual Report for the financial year 2025 including the AGM Notice are being sent in the permitted mode. In case any Member is desirous of obtaining hard copy of the Annual Report for the financial year 2025 and AGM Notice of the Company, may send request to the email address at <http://wisdom.cameoindia.com> mentioning Folio No./ DP ID and Client ID. Members who have not registered their e-mail addresses may get the same registered by sending an e-mail to the Company's Registrar, providing necessary details like Folio No./ DPID, Client ID, Name and Address, scanned copy of the share certificate (front and back) or Client Master Copy, self-attested scanned copy of PAN card and AADHAAR Card.

Members may also note that the Annual Report and the AGM Notice are available on the Company's website: [www.natronix.net](http://www.natronix.net). Additionally, these can be accessed on the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) at [www.evotingindia.com](http://www.evotingindia.com).

The Company has appointed Mr. N. Ramanathan, Designated Partner of M/s. S Dhanapal & Associates LLP, Practicing Company Secretaries, Chennai as the scrutinizer to scrutinize the e-voting at AGM and remote e-Voting process in a fair and transparent manner.

The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the Votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of the conclusion of the e-Voting period, a consolidated Scrutiniser's report of the total Votes cast in favour or against, if any, to the Chairperson or a person authorised by him in writing who shall countersign the same and shall declare the result of the Voting forthwith.

The Results declared along with the Report of the Scrutiniser shall be placed on the website of the Company [www.natronix.net](http://www.natronix.net) and on the website of CDSL immediately after the declaration of result by the Chairperson or a person authorised by him in writing. The results shall also be communicated to the Stock Exchanges.

**Place: Chennai**

**Date: Aug 13, 2025**

**By order of the Board**

**For SPEL Semiconductor Limited**

**Sd/-**

**P. Balamurugan**

**Head Operations & Whole-Time Director**

**DIN: 07480881**



**Details of Director seeking appointment/ re-appointment at the ensuing Annual General Meeting as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given hereunder:**

<b>Name of the Director</b>	<b>Dr. Nagarajan Govindan</b>	<b>Dr. Nakkeeran Ekambaram</b>	<b>Mr. Swaminathan Chandramohan</b>
DIN	08259812	08638679	00052571
Date of Birth	05-03-1963		
Original Date of Appointment	13.08.2025	28/07/2023	11/02/2019
Qualification	Completed Ph.D. Degree in Mechanical Engineering, Master Degree Internal Combustion Engineering, & Bachelor's Degree in Mechanical Engineering. Faculty, College of Engineering in Anna University	Completed Ph.D. Degree in Biotechnology from University of Mysore, M. Tech Biotechnology from VIT and B. Tech Chemical Engineering in Bharathiar University. Professor & Head of Biotechnology in SVCE	Completed MBA in Madras University, BE Chemical Engineering in Annamalai University. He has been associated with various Management positions in Manufacturing companies spanning Fertilizers, Chemicals, etc spanning 4 decades across multifarious functions at different locations, both in India & abroad
Expertise in specific functional areas	Faculty, College of Engineering in Anna University	Head of Biotechnology in SVCE	He has 40 years of experience in Fertilizers Industry. He was instrumental in development implementation of various augmentation diversification projects including overseas ventures.
List of other Directorships held excluding foreign companies, Companies under Section 8 of the Companies Act, 2013 and Private Companies	Tamil Nadu Magnesite Limited	Brainwave Biotechnology Private Limited NRCM Chairperson - SPEL Semiconductor Limited	Chairperson - SPEL Semiconductor Limited
Chairman / Member of the Committees of the Board of other Companies in which he is a Director	Nil	ACM Member – SPEL Semiconductor Limited  NRCM Chairperson - SPEL Semiconductor Limited	ACM Member – SPEL Semiconductor Limited
No. of shares held in the Company	0	0	0

**Explanatory Statement pursuant to section 102 of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and secretarial Standard-2, containing material facts in respect of item of Special Business set out in this Notice:**

**Item No. 3**

The Company took loan from Dr. A.C. Muthiah for Rs. 6,95,00,000 (Rs. Six crores Ninety-Five Lakh only). The Company has proposed to convert unsecured loan of Rs. 6,95,00,000 (Rs. Six crores Ninety-Five Lakh only) taken from Dr. A.C. Muthiah into 6,95,000 (Six Ninety-Five thousand only) of Non-Convertible cumulative Preference Shares of Rs.100 each.

Pursuant to the provisions of the Companies Act, 2013, any other applicable laws for the time being in force the approval of Members is required to convert unsecured loan of Rs. 6,95,00,000 (Rs. Six crores Ninety-Five Lakh only) taken Dr. A.C. Muthiah into 6,95,000 (Six lakhs Ninety-Five thousand only) of Non-Convertible cumulative Preference Shares of Rs.100 each.

Hence, the resolution is placed before the Members in the General Meeting for their approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3

**Item No. 4**

Members of the Company are requested to note that Section 180(1)(a) of the Companies Act, 2013 mandates that the Board of Directors of a Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the Company, only with the approval of the Members of the Company by way of a Special resolution.

Explanation (i) to Section 180(1) (a) of the Companies Act, 2013 states that the meaning of an 'undertaking' for the purposes of Section 180(1)(a) of the Companies Act, 2013 is an undertaking in which the investment of the Company exceeds twenty percent of its net worth as per the Audited balance sheet of the preceding Financial year or an undertaking which generates twenty percent of the total income of the Company during the previous Financial year.

Explanation (ii) to Section 180(1) (a) of the Companies Act, 2013 states that the meaning of 'substantially the whole of the undertaking' for the purposes of Section 180(1)(a) is in any financial year, twenty percent or more of the value of the undertaking as per the Audited balance sheet of the preceding financial year.

Accordingly, pursuant to Section 180(1)(a) of the Companies Act, 2013, Members of the Company are further requested to note that their consent to the Board is being sought by way of a Special Resolution to sell / transfer/ dispose-of immovable/ movable property/ies/ the fixed assets/undertakings of the Company as may be determined by the Board to repay its dues/liabilities, retirement of debts and to meet growth objectives for such consideration and on such terms and conditions as the Board may deem fit in the best interest of the Company, provided the aggregate amount of such transactions price may be decided by the Board of Directors and shall be reviewed and finalized on the date of execution of sale deed.

The above resolution is recommended for your approval for passing this resolution at this Meeting. The Board is of the opinion that the aforesaid Resolution is in the best interest of the Company and hence recommends the Special Resolution for your approval.

**Item No. 5**

Dr. Nagarajan Govindan (DIN: 08259812) was appointed as Additional Director of the Company by the Board of Directors at its Meeting held on 13.08.2025 pursuant to Section 149, 152 of the Companies Act 2013 and Article 94 of Articles of Association of the Company and holds office up to the date of this Annual General Meeting of the Company pursuant to Section 161 (1) of the Act and Article 94 of Articles of Association of the Company.

A brief profile of Dr. Nagarajan Govindan (DIN: 08259812) is given herein for the information of Shareholders.

In the opinion of the Board, Dr. Nagarajan Govindan fulfills the conditions specified in the Act and Rules for his appointment as an Independent Director of the Company as he is independent of the Management under Section 149(6) & 152(5) of the Act. Accordingly, under Section 149 read with Schedule IV of the Act, the appointment of Mr. Nagarajan Govindan as Independent Director is placed before the Members in the General Meeting for approval. The Board recommends the election of Mr. Nagarajan Govindan as a Director not liable to retire by rotation, for the approval of the Shareholders.

Except Dr. Nagarajan Govindan, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

#### **Item No. 6**

As per Regulation 17 (1A) of the SEBI (LODR) Regulations, 2015, approval of the Members by way of Special Resolution is sought for enabling Mr. Swaminathan Chandramohan (DIN: 00052571), to continue as a Director beyond the age limit of 75 years.

A brief profile of Mr. Swaminathan Chandramohan is given herein for the information of Shareholders. Mr. S. Chandramohan is a Chemical Engineer from Annamalai University, with a post graduate qualification in Business Management from Madras University. He has been associated with a southern conglomerate for nearly four decades in multifarious functions and positions at different locations, both in India and abroad. He joined Tuticorin Alkali Chemicals and Fertilisers Limited (TAC) as its Managing Director & held the position for nearly 10 years.

In Jan 2014, he joined the Kanchi Kamakoti CHILDS Trust Hospital as its Chief Executive Officer (CEO) and is holding the position since then. During the last three years, he has been responsible for revamping, modernising and upgrading the 40-year-old hospital to an ultra-modern hospital. He is also the Advisor to the Tamilnadu Chapter of the Association of Health Care Providers of India (AHPI).

During 2006, the CENTRE FOR SUGGESTION SYSTEM DEVELOPMENT, U.S.A., honored him with the "SUGGESTION SALUTE AWARD FOR 2006" for his outstanding achievement in the Suggestion System Industry. During Dec. 2007, the INSTITUTE OF ECONOMIC STUDIES, New Delhi conferred the "UDYOG RATTAN AWARD", for his outstanding performance in the field of Industrial Development of the country. In 2010, the Indian Institute of Chemical Engineers bestowed the DOST Professor J.K. Sharma Medal and CHEMCON distinguished Speaker Award at its annual All India Chemical Engineering conference

Considering the qualification, versatile knowledge, rich experience in Industry and Legal Background, it is recommended to retain Mr. Swaminathan Chandramohan on the Board of the Company. The Board considers his association would be of immense benefit to the Company.

Except Mr. Swaminathan Chandramohan, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6

#### **Item No. 7**

Based on the recommendation of the Board of Directors recommends the appointment of M/s. S Dhanapal & Associates LLP, Chennai (Firm Registration No.L2023TN014200) (Peer review Certificate No.1107/2021) for the approval by the shareholders, as Secretarial Auditors of the Company for a period of five consecutive years to hold office from the conclusion of the 40th Annual General Meeting (AGM) and ending at the conclusion of the 45th AGM, to be held in the year 2030 for conducting the secretarial Audit for a period of five financial years commencing from Apr 1, 2025 to Mar 31, 2030.

#### **Rationale for appointment**

M/s. S Dhanapal & Associates was established in 2009 as a sole proprietorship by Dr. S. Dhanapal. In response to growing clientele and increasing service requirements, the firm was reconstituted as a partnership firm during the period 2009–2014. The firm currently comprises three Practicing Company Secretaries (Partners) and two in-house legal counsels, offering a strong and experienced team to cater to a wide range of corporate and compliance needs. The firm holds a valid Peer Review Certificate issued by the Institute of Company Secretaries of India (ICSI). Its core service offerings include Secretarial Audit, Business Structuring and Reorganization, Incorporation Services, Compliance under FEMA Regulations,

and services related to Intellectual Property Laws. M/s. S Dhanapal Associates has a well-established client base, including more than 10 listed companies, over 15 government-owned entities, and more than 400 private sector, LLP, and foreign companies. The firm has confirmed that their proposed appointment is within the prescribed limits, if any, laid down by ICSI and that they are not disqualified under the provisions of the Company Secretaries Act, 1980, and the rules and regulations made thereunder, including adherence to ICSI Auditing Standards. In view of their qualifications and experience in undertaking Secretarial Audit, it is proposed to appoint M/s. S Dhanapal & Associates LLP as Secretarial Auditors of the Company. The Remuneration payable to M/s. S Dhanapal & Associates LLP for the Financial Year 2026-27 and thereafter will be as mutually agreed between Board of Directors and Secretarial Auditor. The Board recommends the Ordinary Resolution set out at Item No. 9 of the accompanying Notice for approval by the Members of the Company.

**Place : Chennai**

**Date : Aug 13, 2025**

**By order of the Board**

**SPEL Semiconductor Limited**

**Sd/-**

**P. Balamurugan**

**Head Operations & Whole-Time Director**

**DIN : 07480881**



## Directors' Report

Your Directors present the 40th Annual Report of the Company together with the Audited Accounts for the year ended Mar 31, 2025. Financial Highlights / Performance/ the Operating results of your Company as per Ind AS Financial Statements for the year ended Mar 31, 2025 are given below:

### Financial Highlights/Performance

Particulars	Rs in lakhs	
	Year ended Mar 31, 2025	Year ended Mar 31, 2024
Sales	7,86.42	1,200.41
Other Income	1.65.48	140.96
PBIDT	(3.99.91)	(1,15.86)
Finance Cost	2,88.48	2,57.02
Depreciation	2,00.50	2,87.91
Profit / (Loss) before Before Exceptional items	(8,88.89)	(6,60.78)
Less: Exceptional items	(12,57.14)	(9,76.18)
Profit / (Loss) before Tax	(21,46.03)	(16,36.96)
Tax Expense	43.60	41.78
Profit / (Loss) after Taxation	(21,02.43)	(16,78.74)

### Company's performance

The turnover of the Company has decreased to Rs.786.42 Lakhs as compared to Rs.1,200.41 Lakhs in the previous year. It is expected to improve production orders in FY 2025-26. The outlook for FY 2025-26 is good and SPEL has plans to introduce new Customers from Europe & US regions.

### Dividend

Due to insufficiency of profits during the year under, dividend could not be paid during the year.

Material changes affecting the financial position of the Company which have occurred between the end of Financial Year and the date of the report- Nil

Details of significant and Material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future- Nil.

### Transfer to Reserves

There were no transfers made to any Reserves during the Year.

### Adequacy of internal financial controls

The Company's internal financial controls systems are commensurate with the nature of business and the size and complexity of its operations. These are routinely tested by the Internal Auditors and cover all key business areas.

### Subsidiary/Joint Ventures/Associate Companies

There is no subsidiary or Joint ventures or Associate Companies involved.

## **Deposits**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

## **Statutory Auditors**

M/s. Venkatesh & Co., Chartered Accountants (FRN: 004636S) shall hold office as Statutory Auditors of the Company till the conclusion of the ensuing Annual General Meeting. As per the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Board, upon the recommendation of the Audit Committee, in its Meeting held on June 27, 2023 recommended the appointment of M/s. Venkatesh & Co., Chartered Accountants (FRN:004636S) as the Statutory Auditors of the Company for a further period of 4 consecutive years, to hold office from the conclusion of the 38th Annual General Meeting till conclusion of the 42nd Annual General Meeting to be held in the year 2027. M/s. Venkatesh & Co., Chartered Accountants (FRN: 004636S) have confirmed their eligibility and willingness to hold office as Statutory Auditors of the Company. The Board recommends aforementioned appointment in the forthcoming Annual General Meeting of the Company.

1. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.
2. The Auditors' Report on the Financial Statements of the Company for the financial year ended Mar 31, 2025 is modified i.e., it contains qualification opinion. The Management has provided its remarks on the same in the Statement of Impact of Audit Qualifications submitted along with Annual Audited Financial Results for the quarter and year ended Mar 31, 2025.

## **Details in Respect of Frauds Reported by Auditors-Nil**

## **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. S. Dhanapal, Senior Partner, M/s. S. Dhanapal & Associates LLP, a firm of Practising Company Secretaries to undertake the Secretarial Audit of the Company. Pursuant to Regulation 24A(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. S. Dhanapal & Associates LLP, a firm of Practising Company Secretaries is proposed to be appointed as Secretarial Auditors for first term of Five consecutive years from FY 2025-26 to FY 2029-30 subject to the approval of Shareholders in the ensuing Annual General Meeting.

## **Share Capital**

There has been no change in the share capital of the Company during the year.

## **Directors and Key Managerial Personnel**

As per the provisions of the Companies Act, 2013, Dr. Nakeeran Ekambaram (DIN: 08638679), is retiring by rotation, being eligible, offers himself for re-appointment.

Change in CFO – Mr. Parthasarathy was appointed as CFO since May 24, 2025

## **Declaration by Independent Directors**

The Company has received declarations from all its Independent Directors that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the financial year ended Mar 31, 2025.

Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

### **Familiarization Programme for Independent Directors**

The Company conducts an orientation program and presents power point presentation for Independent Directors in order to enable them to familiarize with the Company's Policies, Strategy, Operations, Product offerings, Organisation Structure, Human Resources, Technologies, Facilities and Risk Management.

### **Number of Meetings of the Board**

Four Meetings of the Board were held during the year the details of which are given in the Corporate Governance Report, which forms part of this report.

### **Audit Committee**

The details pertaining to composition and Meetings of Audit Committee are included in the Corporate Governance Report, which forms part of this report

### **Nomination and Remuneration Committee**

The details pertaining to Nomination and Remuneration Committee are included in the Corporate Governance Report, which forms part of this report

### **Details of Nomination and Remuneration Policy**

Salient features of the Nomination and Remuneration Policy forms part of this report and the detailed policy is hosted placed on the website of the Company at <http://www.natronix.net/.html>.

### **Employees and Managerial Remuneration**

The statement of disclosure of remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules") is provided as part of this Report.

The information as per Rule 5(2) and Rule 5(3) of the Rules, forms part of this Report. However, as per first proviso to Section 136(1) of the Act and Second Proviso to Rule 5 of the Rules, the report and financial statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) and Rule 5(3) of the Rules. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered office of the Company. The said statement is also available for inspection by the Members at registered office of the Company during office hours till the date of Annual General Meeting.

### **Managerial Remuneration**

Managerial Remuneration is given as annexure which forms part of this report.

### **Formal Annual Evaluation of Board on its own performance, Committees of the Board and the individual Directors**

The Board of Directors have not carried out any annual evaluation of its performance, Committees of the Board and the independent Directors pursuant to the provisions of the Act and Corporate Governance as prescribed under Regulation 17 (10) of SEBI (LODR) Regulation 2015 for the financial year ended Mar 31, 2025.

### **Loans, guarantees or investments**

Particulars of loans, guarantees and investments have been disclosed in the financial statements.

### **Contracts or arrangements with Related Parties**

The particulars of every contract or arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto have been disclosed in Form AOC -2.

## **Qualifications in Secretarial Audit Report**

1. Based on the Statutory Auditors' report for FY 2024-25, we note matters having governance implications, including: material uncertainty on going concern, delays in deposit of statutory dues, default in repayment of a short-term loan, weaknesses in inventory records. While these are outside the scope of secretarial Audit, the Board may consider appropriate corrective action

**Reply of the management:** The Company is actively implementing corrective actions aimed at infusing additional capital to address financial shortcomings and rectify the defaults that have occurred. These measures are being taken to strengthen the Company's financial position and reduce the material uncertainties surrounding its ability to continue as a going concern.

2. The Demat accounts of the promoters have been frozen due to non-payment of fines imposed by BSE Limited for non-compliances during previous financial years. The fines remain unpaid as of the date of this report.

**Reply of the management:** The Company has submitted a request for a waiver of fines to the Bombay Stock Exchange (BSE). However, following the partial rejection of this waiver, the Company is planning to refer the matter by filing an appeal with the Securities Appellate Tribunal (SAT).

## **Vigil mechanism for Directors and Employees**

The Company has a Vigil Mechanism by way of Whistle Blower Policy to provide a Vigil Mechanism for Employees and Directors to report genuine concerns. The provisions of this policy are in line with Section 177 (9) of the Act. and as per SEBI (LODR) Regulations 2015. A copy of the policy is uploaded in the website of the Company.

## **Risk Management**

The Board of Directors and Senior Management are undertaking measures to identify and monitor the risks faced by the Company and review and evolve the risk mitigation plan. Periodical action is taken to address the major risks identified.

## **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All the employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has not received any complaint on sexual harassment during the financial year ended 31.03.2025.

## **Compliance with Secretarial Standards**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed / complied with by the Company.

## **Conservation of energy, technology absorption and foreign exchange earnings and outgo:**

The details of conservation of energy, technology absorption, foreign exchange earnings and out go are as follows:

### **Conservation of Energy**

The Company has in place an Energy Committee which meets once a month. This Committee consists of Cross-functional Executives. It assesses the potential areas, develops means to save energy and implements the plan with the approval of the Management.

Measures were taken during the year to conserve water and electricity resorting to reuse of Dicing process water, rain water harvesting, power factor improvement and investment on air cooled chillers and air compressors.

Savings in Electricity	20242 Units
Savings in Water Consumption	2980 KL

### **Technology Absorption**

The particulars regarding Technology Absorption are not applicable to your Company.

### **Foreign Exchange Earnings and Outgo**

Your Company is a 100% Export Oriented unit and is constantly striving to increase its exports

Foreign Exchange used during the year: 489 Lakhs

Foreign Exchange earned during the year: 1082.31 Lakhs

### **Research & Development**

The Company has carved out an ambitious plan of investment in R&D. This will include investment in Package Intellectual Property, thereby assisting Company's revenue and profitability in the future years.

### **Corporate Governance Certificate**

The Corporate Governance Certificate from the Auditors or practicing Company secretaries regarding compliance of conditions of Corporate Governance as stipulated in Schedule V, Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with this report.

### **Miscellaneous:**

- The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.
- During the year, there was proceeding initiated by or against the Company under the Insolvency and Bankruptcy Code, 2016 which is being addressed by the Company.
- The requirement to disclose the details of difference between amount of Valuation done at the time of onetime settlement and valuation done while taking loan from Banks & Financial Institutions along with the reasons thereof, is not applicable.
- The Company has complied with the provisions of the Maternity Benefit Act 1961
- There are currently a few cases pending before the National Company Law Tribunal (NCLT), Chennai Bench. The Company is fully aware of its legal obligations and is actively engaged in addressing and resolving these matters. It is taking all necessary steps in accordance with the applicable laws and regulations, including engaging with legal counsel, submitting timely responses and documentation, and cooperating with all procedural requirements set forth by the Tribunal. Efforts are underway to ensure that the matters are concluded at the earliest possible time, with due compliance to the directives of the NCLT.



## **Directors' Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- g. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial Auditors and external consultants and the reviews performed by the management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2023-24.

## **Acknowledgements**

Your Directors place on record their gratitude especially to the Promoters, who had assisted significantly towards the recovery path. Directors also placed on record their gratitude to the Government of India, the Government of Tamil Nadu, Financial Institutions, Bankers, Insurance Companies, Customs & Excise authorities, valued overseas Customers & Vendors and the Promoters for the continued assistance and support extended to the Company.

Yours Directors wish to place on record, their appreciation of the efficient and loyal services rendered by the supportive Employees at all levels of the Company. Yours Directors wish to thank the Shareholders who constitute the mainstay of the Company for their unstinted support, forbearance confidence reposed on the Management.

**Date : Aug 13, 2025**

**Place : Chennai**

**By order of the Board**

**For SPEL Semiconductor Limited**

**Sd/-**  
**S. Chandramohan**  
**Director**  
**DIN : 0052571**

**Sd/-**  
**P. Balamurugan**  
**Head Operations & Whole-Time Director**  
**DIN : 07480881**



**Form No. AOC -2**

(Pursuant to Clause (h) of sub-section 134 of the Act and Rule 8(2) of the Companies  
(Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of materials contracts or arrangement or transactions at arm's length basis: No material transactions falling under section 188 of the act during the year.

**Date : Aug 13, 2025**

**Place : Chennai**

**By order of the Board**

**For SPEL Semiconductor Limited**

**Sd/-**  
**S. Chandramohan**  
**Director**  
**DIN : 0052571**

**Sd/-**  
**P. Balamurugan**  
**Head Operations & Whole-Time Director**  
**DIN : 07480881**

## **Extracts from Nomination and Remuneration Policy**

### **1. Preamble**

SPEL Semiconductor Ltd (SPEL) strongly believes that human resources which manage the other resources have infinite potential, and therefore, their development is the key to organizational effectiveness. We commit ourselves to integrate human resources with Organizational growth and development for mutual benefit.

### **2. Scope**

This Nomination and Remuneration Policy of SPEL has been formulated in compliance with Section 178 and other applicable provisions of the Companies Act 2013 read with the applicable rules thereto and re-enactment thereof and applicable regulations of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

### **3. Objectives**

1. To laydown criteria in relation to Appointment and Removal of Directors, Key Managerial Personnel (KMP) and Senior Management
2. To formulate criteria for determining qualification, positive attributes and independence of a Director.
3. To review the elements of the remuneration package, structure of remuneration package for the Directors, KMPs and other Senior Management.
4. To review the changes to remuneration package, terms of appointment, severance fee, requirement and termination policies and procedures.
5. To recommend the shortlisted candidates who are qualified to be Director and who can be appointed in Senior Management position
6. The Committee is authorised to seek information about any employee and the management is directed to co-operate.
7. The Committee can be present at the General Meeting to answer the shareholder's queries.
8. Recommendation of success plans for the Directors.

### **4. Definitions**

**“Key Managerial Personnel”**, in relation to a Company, means (i) the Chief Executive Officer or Head (Operations) (ii) the whole-time Director; (iii) the Chief Financial Officer; (iv) the Company Secretary and (v) such other officer as may be prescribed under the Companies Act 2013.

**“Nomination and Remuneration Committee”** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 of SEBI LODR (Listing Obligations & Disclosure Requirements) Regulation, 2015.

**“Senior Management”**: - means executives of the Company who are Members of its core Management team excluding Board of Directors & key managerial personnel comprising all Members of Management one level below the executive Directors, including the functional heads.

### **5. Policy**

The Nomination & Remuneration Committee (“Committee”) constituted by the Board of Directors of the Company, shall identify, ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level. The Committee has powers to decide whether qualification, expertise and experience possessed by a person are sufficient for such position. The Committee delegates its powers to Human Resources Department of SPEL as regards the Senior Management personnels are concerned.

## **6. Composition of the Committee**

The composition of the Committee is / shall be in compliance with the Companies Act, 2013, Rules made thereunder, and the Rule made under SEBI LDOR Regulations, 2015. There shall be Minimum of 3 Non-Executive Directors out of which two shall be Independent Directors. Chairperson shall be an independent Director.

### **1. Executive Directors**

The Appointment or Removal of the Executive Directors shall be in accordance with the provisions of the Companies Act 2013 (as amended from time to time) read with the applicable Rules framed under the Companies Act 2013 and also in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

#### **I. Independent Directors**

An independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, Management sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business and such other related areas as the Nomination & Remuneration Committee may in its absolute discretion deem fit.

The Independent Directors of the Company shall also be subject to Familiarization Programme for Independent Directors framed by the Company in this regard. The Terms and Conditions for Appointment / Removal of Independent Director shall be as per the Policy framed by the Company in this regard. The criteria followed for Director disqualification / removal shall be as below:

- a. A person of unsound mind.
- b. Become Bankrupt.
- c. Convicted by a court for moral turpitude and sent to prison for not less than 6 months.
- d. Absenteeism from the Board & Committee Meetings. consecutively for a period of 12 months.
- e. Participation in illegal activities.
- f. Sharing sensitive and confidential information to an unauthorized person.
- g. Inappropriate / disrespected behaviour during the Board Meetings.
- h. Making use of the Company for personal gains.
- i. Violating Code of Ethics of the Company.
- j. Getting associated with the Companies competitors.
- k. Removal by majority of the Shareholders.
- l. he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- m. he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;

#### **II. KMP, Senior Management and other Employees**

The Company has an organizational chart displaying the position of Senior Management including KMP and other positions with the minimum qualifications and experience requirements for each position which commensurate with the size of its business and the nature and complexity of its operations. Any new recruit in the Company is to match the requirements prescribed in the organizational chart of the Company. Any removal of Key Managerial personnel, Senior Management shall be done in consultation with the Board and NRC Committee. s

### **2. Remuneration**

#### **A. Remuneration to Managing/ Whole-Time / Executive/ Director, KMP and Senior Management Personnel:**

The Remuneration/ Compensation/ Commission etc. to be paid to Director/Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and subject to Shareholder / Board approval.

The remuneration /compensation /commission, etc., as the case may be, shall also be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made there under. The remuneration of KMP and Senior Management shall be fixed based on HR policy of the Company and done in consultation with NRC and Board.

**B. Remuneration to Non-Executive/Independent Director**

The Non-Executive/Independent Director may receive remuneration by way of remuneration / commission /sitting fees. The amount of sitting fees shall be decided by the Committee / Board / shareholders and subject to limits as provided under the Companies Act, 2013 and rules made there under and subject to SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 or any other enactment for the time being in force. It is the discretion of the Board to consider paying the sitting fees only to Independent Directors.

**C. Remuneration to other Employees:**

Apart from the Directors, KMPs and Senior Management Personnel, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience. The power to decide structure of remuneration for KMP, Senior Management and other employees has been delegated to the Human Resources Department of the Company.

**3. Review & Amendment**

1. The NRC or the Board may review the Policy as and when it deems necessary
2. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

The Evaluation policy of the Board, Committees and Directors is provided in "Draft Evaluation Policy for Directors" and the same is hosted in <http://www.natronix.net/DraftPerformanceEvaluationPolicy.pdf>

**PARTICULARS OF KMP AND REMUNERATION**

Details as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name Of Director/KMP	Amount Of Remuneration per Annum (INR in Lakhs)	Ratio Of Remuneration To Median Remuneration of Employees for the Financial Year
P. Balamurugan, - Head (Operations) & Whole Time Director	11.18	12.63
G. Venkatesan - CFO	1.89	3.70
S. Sivaraman - Company Secretary	0.60	4.0
Nupur Garg – Company Secretary	2.25	4.0

**Other details**

The number of permanent employees on the role of the Company.	103 Employees
The explanation on the relationship between average increase in remuneration and Company performance	Changes in the remuneration of employees is in line with Company sales performance
Comparison of the remuneration of the Key Managerial Personnel against the performance	The remuneration of the KMP's are in line with the remuneration policy of the Company where



of the Company.	the remuneration is determined based on their performance which is correlated to the performance of the Company.
Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies the variations in the net worth of the Company as at the close of the current financial year and previous financial year.	Particulars : Mar 31, 2025 Market capitalization Rs. 608 Crs  Price Earnings Ratio (28.5)
Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There was no increase in the Managerial Remuneration.
The key parameters of any variable component of remuneration availed by the Directors	Not applicable
The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year	Not applicable
Affirmation that the remuneration is as per the remuneration policy of the Company	The remuneration of Directors, Senior Management and Employees is as per the Remuneration Policy of the Company.

**Date : Aug 13, 2025**

**Place : Chennai**

**By order of the Board  
For SPEL Semiconductor Limited**

**Sd/-  
S. Chandramohan  
Director  
DIN : 0052571**

**Sd/-  
P. Balamurugan  
Head Operations & Whole-Time Director  
DIN : 07480881**

**Secretarial Audit Report**

**For the Financial Year ended Mar 31, 2025**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members of  
**SPEL Semiconductor Limited.**

We have conducted the secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SPEL Semiconductor Limited** (hereinafter called the "Company") [CIN: L32201TN1984PLC011434] for the financial year 2024-25. The Secretarial Audit was conducted based on the records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conduct and statutory compliance and expressing our opinion/understanding thereon.

1. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial Audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company, during the Audit period covering the financial year ended on Mar 31, 2025, appears to have complied with the statutory provisions listed hereunder and also in our limited review, the Company has proper and required Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, Minutes' book, forms, and returns filed and other records maintained by the Company and made available to us, for the financial year ended on Mar 31, 2025 according to the applicable provisions of:

- i. The Companies Act, 2013 (the "Act") and the rules made thereunder read with notifications, exemptions, and clarifications thereto.
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder.
- iv. (a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI).  
(b) Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs)-  
**Not applicable as the Company has no ODI and ECBs, under review.**
- v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI ACT'):  
  - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018-**Not applicable as the Company has not issued any securities during the financial year under review.**
  - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- **Not applicable as the Company has not issued any share based employee benefits/sweat equity shares to its employees during the year under review;**
  - f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- **Not applicable as the Company has not issued any debt securities during the financial year under review;**
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client(**not applicable as the**

***Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review)***

- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- ***Not applicable as the Company has not delisted/ propose to delist its shares from any stock exchange during the financial year under review;***
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - ***Not applicable as the Company has not bought back/ propose to buyback any of its securities during the financial year under review.***
- vi. The other laws applicable specifically to the Company: NIL

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) with respect to Meetings of Board of Directors (SS-1) and the Meetings of General Meetings (SS-2).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors is duly constituted with an appropriate mix of Executive, Non-Executive and Independent Directors including a Woman Director. There were changes in the Board during the year which were duly carried out in compliance with applicable provisions.

Adequate notice of Board Meetings was given; agenda and notes were circulated in advance; and systems exist for seeking further information for effective participation. All resolutions were passed unanimously and duly recorded in the minutes.

We further report that

The Company has in place compliance systems and processes commensurate with its operations; however, these may be further strengthened as the business scales.

Based on the Statutory Auditors' report for FY 2024-25, we note matters having governance implications, including: material uncertainty on going concern, delays in deposit of statutory dues, default in repayment of a short-term loan, weaknesses in inventory records.

While these are outside the scope of secretarial Audit, the Board may consider appropriate corrective action.

SPEL Semiconductor Packaging Limited is a wholly-owned subsidiary of the Company and is yet to commence operations. The investment in this subsidiary has been fully impaired, and consolidation of accounts has not been undertaken. The subsidiary is proposed to be struck off.

The Demat accounts of the promoters have been frozen due to non-payment of fines imposed by BSE Limited for non-compliances during previous financial years. The fines remain unpaid as of the date of this report.

**For M K Madhavan & Associates**  
Company Secretaries

**M K Madhavan**

Proprietor

Membership No.:F-8408 / C.P.No.: 16796

P.R. No. 1221/2021

UDIN: F008408G000862184

Date: 25.07.2025

Place: Chennai

[This report is to be read with Annexure-A which forms an integral part of this report.]

**Annexure-A to Secretarial Audit Report for FY 2024–25**

To  
The Members of  
**SPEL Semiconductor Limited.**

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the Audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test-check basis to ensure that the correct facts are reflected in the secretarial records. We believe that the processes and practices followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Account of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules, and regulations and the occurrence of events.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, and standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M K Madhavan & Associates**  
Company Secretaries

**M K Madhavan**  
Proprietor  
Membership No.: F-8408 / C.P. No.: 16796  
P.R. No. 1221/2021

Date: Jul 25, 2025  
Place: Chennai



## Report on Corporate Governance

Pursuant to Regulation 34(3), 53(f) & Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, a Report on Corporate Governance is given below.

### 1. Company's Philosophy on Code of Governance

The Company's policy and practice of Corporate Governance is to proactively meet its obligations to its Shareholders and earn the goodwill of all its Stakeholders. SPEL seeks to enhance the long-term Shareholders' value and elevate the interest of its Stakeholders by espousing good governance, sincerity, integrity, fairness, and transparent accountability in all its dealings. Sound Corporate Governance is the keystone of the Company's arch. SPEL was wedded to the standards even before these became mandatory and strives incessantly to improve on these practices. The results of good Corporate Governance practices are reflected in confidence reposed by various Stakeholders.

### 2. Board of Directors

The present strength of the Board as on the date of this report is 6 Directors. The Board comprises of Combination of Executive and Non-executive Directors.  
None of the other Directors are related to each other.

#### a. Composition of Board of Directors, their other Directorships and Committee ships as on Mar 31, 2025 is depicted hereunder:

Name and Designation	Executive/Non-Executive Independent /Promoter	No. of Board Meetings of the Company		No. of other Boards in which he / she is a Director or Chairperson*	No. of other Board Committee(s) in which he/she is a Member Or Chairperson**	Attendance at the last AGM (Yes/No)
		Held during The year	Attended during the year			
Mr. Swaminathan Chandramohan	Non-Executive/ Independent Director	4	4	1	2	Yes
Mr. Palanichamy Balamurugan	Executive/Whole-Time Director	4	4	0	-	Yes
Dr. Enakshi Bhattacharya	Non-Executive/Independent Director	4	4	0	2	Yes
Dr. Nakkeeran Ekambaram	Non-Executive/Independent Director	4	4	0	0	Yes
Mr. R. Venkatesh W.e.f. May 29, 2024	Non-Executive/Independent Director	4	3	0	3	Yes

Mrs. Venkatasubramanian V Meenakshi (Appointed 24.06.2024) w.e.f.	Non-Executive - Non Independent Director	4	3	0	1	Yes
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\*Excluding interest in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

\*\*Includes Chairmanship/Membership of the Audit Committee and the Stakeholders' Relationship Committee.

During the year ended March 31, 2025, Four (4) Board Meetings were held on May 29, 2024, August 14, 2024, November 6, 2024 and February 14, 2025,

#### b. List of Core Skills/Expertise/Competencies

The Board identifies the following skills/expertise/competencies for conducting the affairs of the business of the Company in an effective, sustainable and socially responsible manner:

- Knowledge of design and fabrication of semiconductor sand semiconductor devices etc.,
- Knowledge of technological development and implementation of the same in the semiconductor industry for the effective running of business
- Financial, Accounting and Legal knowledge and acumen to run the business to the expectation of the Stakeholders;
- Ability to closely follow the competitive business environment and implementation of strategies for the beneficial performance;
- Knowledge of inducting the required human resource, motivating them for achieving the ultimate business objectives etc.,
- Compliance with the requirement of various Statutes applicable to the Company.

A Chart/Matrix setting out the Skills/Expertise/Competence of the Board of Directors with names and their expertise:

S.No	Name of the Director	Management Skill	Knowledge on Semiconductor Industry, it's operations, Products etc.	Finance, Accounting and Legal Knowledge and Compliance with the requirement of various statutes	Implementation Of strategies for the beneficial Performance and Marketing skills
1	Mr. Mulloth Jayasankar	✓	✓	✓	✓
2	Mr.Swaminathan Chandramohan	✓	✓	✓	✓
3	Mr.Ravikumar Krishnasamy	✓	✓	✓	✓
4	Mr.Dorairaj Balakrishnan	✓	✓	✓	✓
5	Mr. Palanichamy Balamurugan	✓	✓	✓	✓
6	Dr.Enakshi Bhattacharya	✓	✓	✓	✓

7	Mr. Ramanujam Venkatesh	✓	✓	✓	✓
8	Dr. V.V V Meenakshi Jayakuamr	✓	✓	✓	✓

- c. The details of familiarization programs imparted to the Independent Directors can be viewed on the below mentioned web link:

<http://www.natronix.net/Policies.html>

- d. Equity Shares held by Non-Executive Directors as on Mar 31,2025 : Nil

- e. Board confirmation on the independence of Independent Directors:

The Board of Directors of the Company do hereby confirm that, in the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified under SEBI (LODR) Regulations,2015 as amended and they are independent of the Management.

**3. Composition of various Board Committees as on Mar 31, 2025 (After reconstitution of Committees in the Board Meeting held on Aug 14, 2024)**

Name of the Committee	Name of Directors	Category
Audit Committee	Mr. Ramanujam Venkatesh	Chairman
	Mr. Swaminathan Chandramohan	Member
	Dr. Enakshi Bhattacharya	Member
Stakeholders Relationship Committee	Mr. Nakkeeran Ekambaram	Chairman'
	Mr. Ramanujam Venkatesh	Member
	Mr.Venkatasubramaniam meenakshi V	Member
Nomination and Remuneration Committee	Dr. Enakshi Bhattacharya	Chairman
	Mr. Ramanujam Venkatesh	Member
	Mr. Nakkeeran Ekambaram	Member

**4. Board and Committee functioning**

**I. Board Meetings :**

- The Board Meetings are generally held in Chennai with the majority of Directors present at each Meeting.
- The detailed Agenda with notes is circulated in advance and contains all the matters enshrined in Section 173(3) of Companies Act, 2013.

- c. Sufficient time is allocated for discussing items of business, more specifically on the operations front. There is also a detailed presentation made by the Chief Executive Officer.
- d. The Board takes on record the Compliance confirmation from the Company Secretary at each Meeting which contains the compliance status of all the applicable legislations to the Company. These are also reviewed by the Management at each of its Meetings.

### III. Audit Committee :

The Audit Committee comprises of Non-executive Independent Directors. Terms of reference of the Audit Committee includes a review of:

- a. Financial statements before submission to the Board
- b. Draft financial statements and Auditors' Report before submission to the Board
- c. Accounting Policies and Practices
- d. Risk Management Policies and Practices
- e. Compliance with Stock Exchange and legal requirements concerning financial statements
- f. Related Party Transactions
- g. Recommendation of appointment of Auditors and fixing their fees
- h. To review the Internal Control Systems and Internal Audit Reports and their compliance thereof

Five (5) Audit Committee Meetings were held on May 29, 2024, Aug 14, 2024, Nov 14, 2024, Feb 14, 2025 and Mar 29, 2025.

Names of the Directors	No. of Audit Committee Meetings eligible to attend	No. of Audit Committee Meetings attended
Mr. Ramanujam Venkatesh	4	4
Mr. Swaminathan Chandramohan	5	5
Dr. Enakshi Bhattacharya	5	5
Mr. Ravikumar Krishnasamy	1	1

### II. Nomination and Remuneration Committee

The Committee advises the Broad Policy for remuneration, terms of employment and any changes, including service contracts of Executive and Non-Executive Directors and supervises the Employee Stock Option Scheme (ESOS). Nomination and Remuneration Committee decides on the remuneration of the Whole time Director and the Chief Executive Officer. The Committee takes into account the general market trend pertaining to the industry viz., the rules of the Company.

2 Meetings of Nomination and Remuneration Committee were held during the year 2024-25 (29.05.2024 and 14.02.2025)

Names of the Directors	No. of Nomination and Remuneration Committee Meetings eligible to attend	No. of Nomination and remuneration Committee Meetings attended
Dr. Enakshi Bhattacharya	2	2
Mr. Ramanujam Venkatesh	1	1



Dr. Nakkeeran Ekambaram	1	1
Mr. Ravikumar Krishnasamy	1	1
Mr. Swaminathan Chandramohan	1	1

**Details of Remuneration paid to Directors (Amount in Rs)**

S.No	Names of Directors	Salary/ Spec. allowance	Commission / Bonus	Sitting fees (Rs)	Stock Option	Total
1	Mr. Mulloth Jayasankar	-	-	36,900	-	-
2	Mr. Swaminathan Chandramohan	-	-	64,100	-	-
3	Mr. Ravikumar Krishnasamy	-	-	64,100	-	-
4	Mr. Nakkeeran Ekambaram	-	-	21,600	-	-
5	Dr. Enakshi Bhattacharya	-	-	64,100	-	-
6	Mr. P. Balamurugan	-	-	-	-	-

**Remuneration Policy**

The following is the remuneration policy of Directors:

Remuneration to Whole Time / Executive / Managing Director, KMP and Senior Management Personnel:

**e. Fixed Pay**

The Whole Time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee.

**f. Minimum Remuneration**

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-Time Director in accordance with the provisions of Schedule V of the Act and if the Company is not able to comply with such provisions, with the previous approval of the Central Government.

**g. Remuneration to Non-executive / Independent Director**

**i. Remuneration / Commission**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.

**ii. Sitting Fees**

The Non-executive / Independent Director may receive remuneration by way of fees for attending Meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per Meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**II. Stakeholders Relationship Committee**

The Company has a Stakeholders' Relationship Committee of the Board of Directors to look into various aspects of interest of Shareholders including the redressal of complaints of

shareholders'/investors' such as transfer or credit of shares, non-receipt of dividend / Notices / annual reports, review of and effective exercise of voting rights by Members, adherence to service standards fixed by the Company by the RTAs, initiatives taken by the Company for timely receipt of dividend, annual reports, reduction in unclaimed dividend etc.

The Stakeholders Relationship Committee comprises of majority of Non-Executive Non-Independent Directors. Mr. Nakkeeran Ekambaram is the Chairperson of the Committee.

The Table below shows the nature of complaints received from Shareholders during 2024-25:-

S.No.	Nature of Complaint	Number of Complaints Received	Number of Complaints Resolved	Number of Complaints Pending as on March 31, 2025
1.	Updation of KYC	0	0	0
2.	Non-receipt of share certificates	0	0	0
3.	Procedure for transmission of shares	0	0	0
4.	Non receipt of share certificates letter of confirmation after splitting	0	0	0
5.	Procedure for issue of duplicate share certificate	0	0	0
6.	Non adherence to Corporate Governance Norms	0	0	0

One Stakeholders Relationship Committee Meeting was held on 14<sup>th</sup> February, 2025

Names of the Directors	No. of Stakeholders Relationship Committee Meetings eligible to attend	No. of Stakeholders Relationship Committee Meetings attended
Mr. Nakkeeran Ekambaram	1	1
Mr. Ramanujam Venkatesh	1	1
Mrs. Venkatasubramanian V Meenakshi	1	1

#### 4. General Body Meetings

Details regarding venue, date and time of last three AGM's.

Sl. No.	Financial Year	Details of Location	Date & Time when held
1.	2021-2022	Through Video Conferencing("VC")/Other Audio Visual Mechanism("OAVM")from the registered office	Dec 31,2022; 1.00PM (37 <sup>th</sup> AGM)
2.	2022-2023	Through Video Conferencing("VC")/Other Audio Visual Mechanism("OAVM")from	Sep 21, 2023, 11.00 AM (38 <sup>th</sup> AGM)

		the registered office	
3.	2023-24	Through Video Conferencing("VC")/Other Audio Visual Mechanism("OAVM")from the registered office	Aug 28, 2024, 3.00 PM (39 <sup>th</sup> AGM)

Special Resolutions passed in the previous 3 AGMs:

**37th AGM**

- vii. Appointment of Mr. M. Jayasankar as Director who has Attained the age of 75years

**38th AGM**

- viii. Approval to Sell, Lease or otherwise dispose of whole or substantially the whole of the undertaking(s) of the Company

**39th AGM**

- i. Appointment of Mr. Swaminathan Chandramohan (DIN: 00052571) as an Independent Director for a second period of five years
- ii. Appointment of Mr. Venkatesh Ramanujam (DIN: 07242631) as an Independent Director for a period of five years
- iii. Approving the modification in the terms of Debenture by altering the nature of Debentures from Non-convertible Debentures to Convertible Debentures and alteration in Debenture trust deed thereon and on Debenture Trustee and to convert Convertible Debentures into Nonconvertible cumulative Preference Shares of the Company
- iv. Issuance of preference shares by converting 6, 00, 00,000 (Rs. Six crores only) of unsecured loan borrowed from Dr. A.C. Muthiah.
- v. Cancellation of unissued equity shares and simultaneously creating preference shares
- vi. Amendment of Memorandum of Association of the Company

Postal Ballot: The Company has not passed resolutions by way of the Postal Ballot during the year

**5. Disclosures**

- A. No transaction of material nature has been entered into by the Company with related parties i.e. Directors or Management, their subsidiaries or relatives that may have potential conflict with the interests of the Company at large. The Policy on Related Party Transaction scan be seen on the Company's website<http://www.natronix.net/Policies.html>.

The Board duly authorized all transactions with the Companies in which the Promoters or Directors or the Management, their subsidiaries or their relatives are deemed to be interested.

- B. The Company has generally complied with all the requirement of regulatory authorities. There were some instances of non-compliances by the Company during the last 3 years whereby the requisite penalty, and stricture imposed on the Company by Stock Exchanges or SEBI or any statutory authorities against the Company has been duly paid.
- C. The Company has a Whistle-Blower Policy through which Directors, employees and business associates may report unethical business practices at workplace without the fear of reprisal. The Company has set up a direct contact initiative under which all the Directors, employees / business associates have direct access to the Chairman of the Audit Committee and affirms that no personnel has been denied access to

the Audit Committee. The “Whistle-Blower Protection Policy” aims to:

- a. Allow and encourage Directors, employees and business associates to bring to the Management's Notice, concerns about suspected unethical behavior, malpractice, wrongful conduct, fraud, violation of policies etc.
- b. Ensure timely and consistent organizational response.
- c. Build and strengthen a culture of transparency and trust.
- d. Provide protection against victimization.
- d. All the mandatory requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with.

The Company has fulfilled the following non-mandatory requirements as prescribed in Part E of Schedule II as mentioned under Regulation 27(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- a. The Company has appointed a third-party Firm as the Internal Auditors
- b. The Chairman of the Board is a Non-Executive Independent Director and not related to the Executive Directors of the Company.

The web link for determining material subsidiary is not required as the Company does not have a material subsidiary.

The web link on dealing with dealing with related party transaction

<http://www.natronix.net/SPELRPTPolicy.pdf>

## 6. Means of Communications

Financial results of the Company are published in Trinity Mirror and Makkal Kural. The results are also displayed in URL, namely <http://www.natronix.net/investors.html>. The Company does not display official news releases. Company has not made presentations to Institutional Investors or to the Analysts.

## 7. General Shareholder Information

<b>Annual General Meeting</b> (as indicated in the Notice)	Sep 26, 2025 through Video Conferencing or Other Audio-Visual Means
<b>Financial year</b>	2024-25
<b>Dates of Book Closure</b>	Sep 20, 2025 to Sep 26, 2025
<b>Listed on Stock Exchange</b>	BSE Limited Phiroze Jeejeebhoy Tower Dalal Street, Mumbai – 400 001
<b>Payment of Annual Listing Fees</b>	Annual Listing fees for the FY 2025-26 has not been paid
<b>Stock Code</b>	517166
<b>ISIN Number</b>	INE252A01019
<b>Outstanding GDR/ADR/Warrants Or any convertible instruments:</b>	Nil
<b>Registrar &amp; Share Transfer Agent</b>	Cameo Corporate Services Limited Subramanian Building, 1 Club House Road

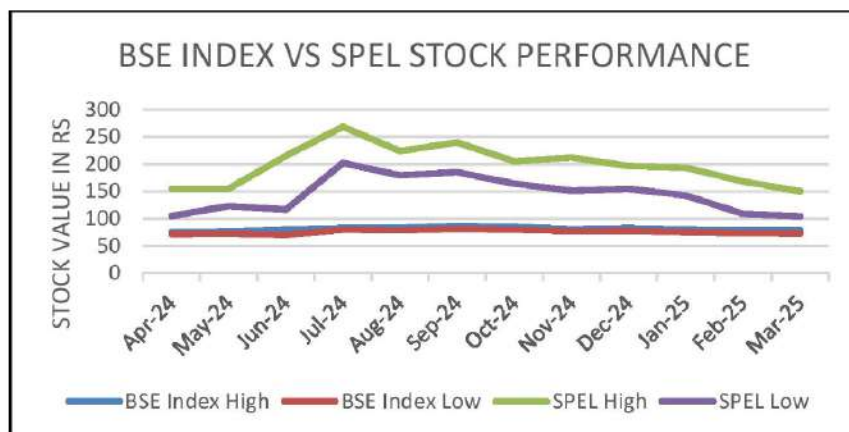


	Chennai 600002
<b>Share transfer System</b>	The share transfers in physical form is no longer permitted as per the amendment made to SEBI (LODR) Regulations, 2015 and Share Transfers can be effected only in dematerialised form after 01.04.2019. As per the clarification given by SEBI, Transmission and Transposition of Shares will be allowed in physical form. Transmission and Transposition, issue of duplicate shares, transfer of unclaimed shares to IE@PF Authority are presently processed and the share certificates are issued within the stipulated time, subject to the documents being clear in all respects.
<b>Address for Communication</b>	Company Secretary, SPEL Semiconductor Limited 5 CMDA, Industrial Estate, MM Nagar (Chennai)-603 209 India.
<b>Factory Location</b>	CMDA Industrial Estate, MMNagar (Chennai)-603209 India
<b>Details of Commodity Price Risk/Hedging Activities:</b>	There are no such transactions during the year 2024-25
<b>Dematerialization of shares and liquidity:</b>	About 95.07% of the Equity Shares are being held in dematerialized form as at March 31, 2025. There is sufficient Liquidity in the Market.
<b>Details of Credit Ratings obtained</b>	Nil
<b>Details of Commodity Price Risks, Foreign Exchange Risk</b>	Nil

#### Distribution of Shareholding as on Mar 31, 2025

Category	No. of Shareholders	No. of Shares	%
Promoter & Promoter Group	6	27288780	59.17236
Foreign Institutional Investors	1	9000	0.02
Foreign nationals	0	0	0.00
Mutual Funds	2	8600	0.02
Banks	1	100	0.00
Shareholding by Companies or Bodies Corporate where Central/State Government is a promoter	1	1400	0.00
Non-Resident Indians	706	354749	0.77
Body Corporate	211	370558	0.8
Resident Individuals	95,894	1,75,48,414	38.05
Hindu Undivided Families	544	505620	1.1
Trusts	1	388	0.00
Employees	9	5405	0.00
Clearing Members	1	800	0
LLP	8	23629	0.05
<b>Total</b>	<b>97,385</b>	<b>4,61,17,443</b>	<b>100.00</b>

### Stock Performance V/s BSE Sensex (FY 2024-25)



Month	BSE Index High	BSE Index Low	SPEL High	SPEL Low
Apr-24	75.12	71.82	154.65	104.50
May-24	76.00	71.87	154.55	122.65
Jun-24	79.67	70.23	214.75	116.25
Jul-24	81.90	78.97	268.40	202.05
Aug-24	82.64	78.30	223.80	179.00
Sep-24	85.98	80.90	239.50	185.00
Oct-24	84.64	79.14	205.00	164.05
Nov-24	80.57	76.80	212.00	151.20
Dec-24	82.32	77.56	196.00	154.30
Jan-25	80.07	75.23	193.00	142.30
Feb-25	78.74	73.14	167.90	108.35
Mar-25	78.74	72.63	149.95	104.00

**Market Price Data High & Low, Trading volume and no. of trades during each month for FY 24-25**

Month	High	Low	# of Shares	# of Trades
Apr-24	154.65	104.50	15,51,623	12,925
May-24	154.55	122.65	6,63,379	8,242
Jun-24	214.75	116.25	32,71,938	32,451
Jul-24	268.40	202.05	57,92,051	78,003
Aug-24	223.80	179.00	20,96,278	42,307
Sep-24	239.50	185.00	10,60,423	20,507
Oct-24	205.00	164.05	7,16,602	13,856
Nov-24	212.00	151.20	5,77,932	12,090

Dec-24	196.00	154.30	9,41,773	20,982
Jan-25	193.00	142.30	12,27,362	29,878
Feb-25	167.90	108.35	10,96,102	26,519
Mar-25	149.95	104.00	13,60,008	23,192

## **8. Accounting Standards**

Your Company is in compliance with Accounting Standards and Accounting Rules in preparation of its financial statements.

## **9. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- Number of complaints filed during the financial year – NIL
- Number of complaints disposed of during the financial year – NIL
- Number of complaints pending as on end of the financial year – NIL

## **10. Details of Loans/Advances extended to Firms/Companies in which Directors are interested during the year 2024-25: NIL**

## **11. Payment to Statutory Auditors of the Company**

For the FY 2025, total fees for all services paid by the Company to the Statutory Auditors is Rs.3 Lakhs.

## **12. There were no instances of any non-compliance of Corporate Governance in terms of Part-C (11) of Schedule-V to the SEBI LODR**

## **13. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46**

- There is no such instance occurred where the Board had not accepted any recommendation of Committee of the Board which is mandatorily required, during the financial year under review.
- In terms of regulation 25 of SEBI LODR, policy for Directors and Officers insurance ('D & O insurance') covering all the independent Directors is not applicable to the Company.
- During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement, hence, the details of utilization of funds does not arise
- The Company, on a periodical basis, reviews various policies framed under the Act and SEBI LODR and such other statutes, as applicable and amends them based on the requirement to ensure conformity with relevant regulatory changes and industry practices.
- There are no loans and advances provided by the Company or its subsidiary in the nature of loans to any firms / companies in which the Directors are interested.
- During the period, there is no material subsidiary to the listed entity and hence, the details as prescribed under Schedule – V to the SEBI LODR does not apply.
- There are no binding agreement requiring disclosure under clause 5A of paragraph A of Part A of Schedule-III to SEBI LODR.

**14. Declaration signed by the chief executive officer stating that the Members of Board of Directors and senior management personnel have affirmed compliance with the code of conduct of Board of Directors and senior management is given below.**

### **Code of Conduct Certification**

The Board of SPEL Semiconductor Limited laid down a code of conduct for all Board Members and Senior Management. The Code of Conduct has been posted on the Company's website at <http://www.natronix.net/spel.htm>

All the Board Members and the Senior Management affirmed compliance to the code for the financial year 2024-25.

Chennai

Date: Aug 13, 2025

P. Balamurugan  
Head Operations & Whole-Time Director  
DIN: 07480881

15. Compliance certificate from either the Auditors or practicing Company secretaries regarding compliance of conditions of corporate governance is given below.

### **16. Company Secretary Certificate**

A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority is given below.



### **Certificate of Non-Disqualification of Directors**

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members,

**SPEL Semiconductor Limited.**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SPEL Semiconductor Limited having CIN: L32201TN1984PLC011434 and having registered office at 5, CMDA Industrial Estate, Maraimalai Nagar, Tamil Nadu, 603209 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

#	Name of Director	DIN	Designation
1	Mr. Swaminathan Chandramohan	52571	Chairman, non-executive, Independent Director
2	Mr. Palanichamy Balamurugan	7480881	Executive Director, Whole-time Director
3	Dr. Enakshi Bhattacharya	5277571	Non-Executive, Independent Director (Woman)
4	Dr. Nakkeeran Ekambaram	8638679	Non-Executive, Non-Independent Director
5	Mr. Ramanujam Venkatesh	7242631	Non-Executive, Independent Director
6	Dr. V. V. Meenakshi Jayakumar	10680038	Non-Executive - Non-Independent Director (Woman)

It is the responsibility of the management of the Company to ensure the eligibility for the appointments of Directors and their continuance as Directors on the Board. Our responsibility is to express an opinion on the matter and this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M K Madhavan Associates**

Company Secretaries

**M K Madhavan**

Proprietor

Membership No.: F-8408 / C.P. No.: 16796

P.R. No. 1221/2021

UDIN: F008408G000862250

Date: May 24, 2025

Place: Chennai

### **WTD & CFO Certification**

*Pursuant to Schedule II and Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

**To**

**The Board of Directors**

**SPEL Semiconductor Limited**

**5 CMDA Industrial Estate, MM Nagar(Chennai)**

**Pin 603 209**

We, P. Balamurugan, Head Operations & Whole-Time Director and T. Parthasarathy, Chief Financial Officer of the Company, do solemnly certify that:

1. We have reviewed the Audited financial statements of the quarter and year ended Mar 31, 2025 and that to the best of our knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
  - b. These statements together present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity in all material respects, with the existing generally accepted accounting principles, including accounting standards, applicable laws and regulations.
2. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - a. Significant changes in internal control during the year;
  - b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

However, during the year, there were no such changes or any such instances.

Date: May 24, 2025

For SPEL Semiconductor Limited

Place: Chennai

Sd/-  
P. Balamurugan  
Head Operations & Whole-Time Director

Sd/-  
T. Parthasarathy  
Chief Financial Officer

## **Corporate Governance Certificate**

To  
The Members of  
SPEL Semiconductor Limited.

We have examined the compliance of conditions of Corporate Governance by SPEL Semiconductor Limited, for the year ended Mar 31, 2025, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Regulations. It is neither an Audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of my information and according to the explanations given to us and based on the representations made by the Management including review of the Corporate Governance Report placed before us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M K Madhavan & Associates**  
Company Secretaries

**M K Madhavan**  
Proprietor  
Membership No.: F-8408 / C.P. No.: 16796  
P.R. No. 1221/2021

UDIN: F008408G000862283  
Date: Jul 25, 2025  
Place: Chennai

## Management Discussion and Analysis Report:

### Global Semiconductor Industry Market:

The global semiconductor industry market is vast and dynamic, representing one of the most critical sectors in the global economy. It includes the design, manufacturing, and distribution of semiconductor chips used across various industries like consumer electronics, automotive, telecommunications, healthcare, and industrial automation. The market has experienced significant growth in recent years, driven by demand from emerging technologies such as AI, 5G, IoT, electric vehicles, and more.

### Key Market Trends and Segments:

#### 1. Market Size and Growth:

- a. The global semiconductor market was valued at around USD 500 billion to USD 600 billion in 2023 and is expected to reach over USD 1 trillion by 2030, growing at a compound annual growth rate (CAGR) of approximately 7%–8%.
- b. The market is heavily influenced by technological advancements, consumer demand, and the increasing integration of semiconductors in a wide range of applications.

#### 2. Major Segments of the Semiconductor Market:

- a. **Memory Chips:** This includes DRAM (Dynamic Random Access Memory) and NAND Flash memory, essential for devices like smartphones, computers, servers, and data centers.
- b. **Logic ICs (Integrated Circuits):** This segment includes microprocessors, microcontrollers, and application-specific integrated circuits (ASICs) used in a variety of applications, from personal devices to industrial machinery.
- c. **Power Semiconductors:** These include devices that manage and convert electrical energy. They are widely used in sectors like automotive (for electric vehicles), renewable energy (solar inverters), and consumer electronics.
- d. **Optoelectronics:** This category includes semiconductor devices that convert electrical signals into light (LEDs, OLEDs, lasers) or vice versa. They are key components in displays, communications, and sensing applications.
- e. **Sensors:** Used in automotive, healthcare, and industrial applications, sensors collect data to enable machine learning and IoT devices to make intelligent decisions.

#### 3. Geographic Market Insights:

- a. **Asia-Pacific (APAC):** The largest and most influential region for the semiconductor market, especially in countries like China, South Korea, Japan, and Taiwan. Taiwan is home to TSMC, the world's largest semiconductor foundry, and South Korea is home to Samsung Electronics.
- b. **North America:** The United States is a significant player in the semiconductor market, particularly in the design and development of chips, with major companies like Intel, NVIDIA, Qualcomm, and Micron. U.S. policy is also shaping the industry, including the passage of the CHIPS Act, which encourages domestic manufacturing.
- c. **Europe:** Although Europe has been historically behind in semiconductor manufacturing, there are efforts to increase local production to reduce dependence on Asia. The EU has set ambitious targets to produce more semiconductors within Europe in the coming years.
- d. **Rest of the World:** Other regions, such as the Middle East, Latin America, and Africa, have a relatively smaller share but are seeing growth in semiconductor consumption, especially in automotive, IoT, and consumer electronics.



#### 4. Key Drivers of Market Growth:

- a. **Technological Advancements:** Ongoing innovations in chip design and manufacturing (e.g., 5nm, 3nm, and future 2nm nodes) are pushing the envelope for more powerful, energy-efficient chips.
- b. **5G and Telecommunications:** The rollout of 5G networks is creating significant demand for chips that power base stations, smartphones, and other connected devices.
- c. **Automotive Industry:** The shift to electric vehicles (EVs), autonomous driving, and advanced driver assistance systems (ADAS) is driving demand for semiconductors in automotive applications.
- d. **Artificial Intelligence (AI) and Machine Learning (ML):** AI accelerators, including GPUs, FPGAs, and TPUs, are needed for AI workloads in data centers and edge devices, making AI a major growth factor for the semiconductor market.
- e. **Internet of Things (IoT):** The proliferation of IoT devices, such as smart home products, connected health devices, and industrial IoT applications, is increasing the need for smaller, more power-efficient chips.
- f. **Cloud Computing and Data Centers:** The expansion of cloud services is a key driver for memory chips, processors, and specialized chips used in data centers.

#### 5. Challenges in the Semiconductor Market:

- a. **Supply Chain Disruptions:** The semiconductor industry is highly vulnerable to supply chain issues, such as the COVID-19 pandemic, which caused disruptions in chip production and led to shortages. The ongoing chip shortages have affected industries like automotive, consumer electronics, and more.
- b. **Geopolitical Tensions:** Trade tensions between China and the U.S., as well as the geopolitical instability surrounding Taiwan (a key hub for semiconductor manufacturing), add a level of uncertainty to the global semiconductor supply chain.
- c. **Rising Material Costs:** The cost of raw materials such as silicon and rare earth metals has been increasing, which impacts the profitability of semiconductor manufacturers.

#### 6. Key Players and Competitive Landscape:

- a. **TSMC (Taiwan Semiconductor Manufacturing Company):** The world's largest semiconductor foundry, playing a central role in the global semiconductor ecosystem.
- b. **Samsung Electronics:** A global leader in memory chips (e.g., DRAM and NAND flash) and semiconductor manufacturing, along with producing processors for smartphones.
- c. **Intel:** Known for its microprocessors and system-on-chip products, Intel is transitioning to modern manufacturing technologies, including advanced nodes like Intel 7 and Intel 4.
- d. **NVIDIA:** A leader in GPUs, and increasingly critical in AI and machine learning applications.
- e. **Qualcomm:** Specializes in chips for mobile devices and telecommunications, including Snapdragon processors and 5G solutions.
- f. **Micron Technology:** A major supplier of memory chips, including DRAM and NAND flash, essential for consumer electronics and data storage.

#### 7. Opportunities for Growth:

- a. **Advanced Manufacturing Nodes:** Companies investing in next-gen technologies like EUV lithography and the development of quantum computing chips are poised to drive the industry forward.
- b. **Re-shoring Semiconductor Production:** Countries like the U.S. and the EU are focusing on bringing semiconductor manufacturing back to their regions, reducing dependency on Asia.

- c. **Sustainability:** Increasing focus on sustainability and energy efficiency, both in semiconductor production and in the end products using these chips, offers opportunities for growth in green technologies.

## **Future Outlook :**

The global semiconductor market is poised for significant growth due to the increasing demand for semiconductors across various industries, particularly with advancements in AI, 5G, automotive technologies, and IoT. However, challenges such as supply chain disruptions, geopolitical tensions, and material shortages will continue to affect the market's stability. Companies that can innovate, adapt to changing geopolitical dynamics, and manage supply chain risks are likely to thrive in the coming years.

### **A. Market Drivers**

The global semiconductor market is influenced by a variety of drivers that fuel growth and shape the industry's future. Here are the key market drivers for the semiconductor industry:

#### **1. Technological Advancements**

- a. **Miniaturization of Chips:** As transistor sizes continue to shrink, advancements in semiconductor fabrication (e.g., 5nm, 3nm, and upcoming 2nm) allow for more powerful, energy-efficient chips. This drives demand for smaller, faster, and more capable semiconductors in everything from consumer electronics to data centers.
- b. **Advanced Manufacturing Technologies:** Innovations in Extreme Ultraviolet Lithography (EUV), 3D packaging, and chiplet designs allow manufacturers to pack more performance into smaller chips, which is crucial for maintaining Moore's Law and enhancing chip capabilities.
- c. **AI/ML-Optimized Chips:** The rise of artificial intelligence (AI) and machine learning (ML) applications is driving the demand for specialized hardware like GPUs, TPUs, FPGAs, and ASICs designed to handle complex computations.

#### **2. 5G Network Deployment**

- a. **Growth in Wireless Connectivity:** The global rollout of 5G networks is a significant driver of semiconductor demand. 5G chips are essential for smartphones, base stations, and IoT devices that rely on ultra-fast, low-latency communication. This trend is expanding the market for modems, radio-frequency (RF) chips, and network infrastructure semiconductors.
- b. **Connected Devices:** The transition to 5G accelerates the adoption of connected devices, creating demand for semiconductors in various industries, including automotive, healthcare, and manufacturing.

#### **3. Automotive Industry Transformation**

- a. **Electric Vehicles (EVs):** The shift to electric vehicles requires a wide range of semiconductor solutions, such as power electronics, battery management systems, and motor controllers. EVs often require more chips than traditional internal combustion engine vehicles.
- b. **Autonomous Driving & ADAS:** Advanced Driver Assistance Systems (ADAS) and autonomous driving technologies rely heavily on semiconductors. LiDAR, radar, camera sensors, and AI-powered chips are essential for these systems, increasing demand for automotive semiconductors.
- c. **Vehicle-to-Everything (V2X) Communication:** As vehicles become more connected, the demand for Semiconductors that enable V2X communication (vehicle-to-vehicle, vehicle-to-infrastructure) rises, driving the need for communication and sensing chips.

#### 4. Growth of Artificial Intelligence (AI) and Machine Learning (ML)

- a. **Data Centers and Cloud Computing:** The increasing adoption of AI and ML models in data centers requires high-performance chips, such as GPUs (used in deep learning), TPUs, and specialized processors. Data center operators are increasingly investing in AI accelerators to handle complex workloads.
- b. **Edge Computing:** As AI moves to the edge, i.e., closer to the device, there is a growing need for low-power semiconductors capable of processing data locally, without the need to send it to a centralized data center. This is particularly important in applications such as autonomous vehicles, smart cities, and industrial automation.

#### 5. Internet of Things (IoT) Expansion

- a. **Smart Homes:** The proliferation of smart home devices like smart thermostats, security systems, and voice assistants (e.g., Amazon Alexa, Google Assistant) is creating significant demand for IoT chips (e.g., Wi-Fi, Bluetooth, Zigbee, sensors).
- b. **Industrial IoT (IIoT):** Industries such as manufacturing, logistics, and healthcare are increasingly adopting IoT solutions for automation, remote monitoring, and predictive maintenance, driving the need for semiconductors used in sensors, connectivity modules, and edge computing devices.
- c. **Wearables:** The growing popularity of wearable devices like smartwatches, fitness trackers, and health monitoring systems is driving demand for small, power-efficient chips that handle sensors, connectivity, and processing.

#### 6. Cloud Computing and Data Center Growth

- a. **Cloud Services Expansion:** With the growth of cloud computing and big data, the demand for semiconductors in data centers continues to rise. Servers require high-performance processors (e.g., Intel Xeon, AMD EPYC), memory chips (e.g., DRAM, NAND), and networking chips to manage and process large volumes of data.
- b. **Storage Solutions:** The exponential growth in data is also driving demand for storage devices (e.g., solid-state drives (SSDs)) and related memory semiconductors used in cloud infrastructure.

#### 7. Consumer Electronics and Mobile Devices

- a. **Smartphones:** The global demand for smartphones is one of the largest drivers for the semiconductor industry. Chips like application processors (e.g., Qualcomm Snapdragon, Apple A-series) and memory chips (e.g., DRAM, NAND flash) are critical to smartphone functionality.
- b. **Laptops and Tablets:** The increased reliance on remote work and online learning, especially after the COVID-19 pandemic, has driven demand for laptops and tablets, which require semiconductors for processing, memory, and connectivity.
- c. **Gaming Consoles:** The growing popularity of gaming consoles like PlayStation, Xbox, and PC gaming is fueling demand for high-performance chips such as GPUs, CPUs, and specialized gaming hardware.

#### 8. Healthcare and Medical Devices

- a. **Medical Equipment:** The growing use of semiconductors in healthcare devices, including diagnostic equipment, imaging systems (e.g., MRI, CT scanners), and patient monitoring systems, is a key driver. The demand for biometric sensors, wearables for health monitoring, and telemedicine technologies also contributes to semiconductor growth.
- b. **Telemedicine and Remote Healthcare:** With the expansion of telemedicine and the move toward remote patient monitoring, healthcare devices and associated chips are becoming increasingly important.

## 9. Supply Chain and Geopolitical Factors

- a. **Reshoring and Localization:** Geopolitical tensions and the vulnerability of the global semiconductor supply chain have led to efforts by governments to reshore semiconductor manufacturing and reduce reliance on specific regions (like Taiwan and China). Initiatives like the U.S. CHIPS Act and EU's Digital Compass aim to boost semiconductor production in North America and Europe, which can drive demand for local manufacturing equipment and infrastructure.
- b. **Global Shortages:** The semiconductor industry experienced significant shortages during the COVID-19 pandemic, affecting automotive, consumer electronics, and other sectors. These shortages highlighted the importance of semiconductor production, encouraging investments to increase global supply capacity and build resilience in the supply chain.

## 10. Sustainability and Energy Efficiency

- a. **Green Technologies:** There is growing emphasis on energy-efficient chips as industries focus on reducing their carbon footprint. Semiconductors play a crucial role in enabling green technologies, such as solar energy systems, electric vehicles (EVs), and smart grids.
- b. **Sustainable Manufacturing:** Semiconductor companies are increasingly adopting sustainable practices to reduce the environmental impact of manufacturing processes, including water conservation, energy-efficient fabs, and the recycling of materials.

The global semiconductor market is driven by a combination of technological advancements, emerging applications, and the growing demand for smart, connected devices. 5G, AI/ML, IoT, and automotive innovations (particularly electric vehicles and autonomous driving) are all major drivers of semiconductor growth. The continued advancement of semiconductor technologies and the ongoing transformation of industries relying on digital solutions will keep fueling the market's expansion.

### B. Semiconductor Mergers:

Here are some recent semiconductor Company mergers:

Mergers and acquisitions (M&A) in the semiconductor industry have been a common strategy for companies to expand their capabilities, gain access to new technologies, enter new markets, or consolidate their position in a highly competitive market. These deals often involve the combination of companies with complementary technologies, intellectual property, or manufacturing capabilities. Below are some notable semiconductor M&A activities in recent years:

1. NVIDIA & ARM Holdings (Proposed); 2. AMD & Xilinx; 3. Intel & Mobileye; 4. Qualcomm & NXP; Semiconductors; 5. Broadcom & CA Technologies; 6. Marvell Technology & Cavium; 7. TSMC & VIS; 8. Texas Instruments & National Semiconductor; 9. Microchip Technology & Atmel; 10. Infineon Technologies & Cypress Semiconductor

### Trends in Semiconductor Merger & Acquisition:

- 1. **Consolidation:** Large players like NVIDIA, Intel, and Qualcomm are acquiring smaller companies to consolidate market position and gain access to cutting-edge technologies like AI, automotive, and 5G.
- 2. **Focus on High-Performance Computing:** Companies are increasingly looking to acquire firms that specialize in AI, machine learning, and data center technologies, as these areas are growing rapidly and require advanced semiconductor solutions.
- 3. **Automotive and IoT Growth:** The acquisition of companies with expertise in automotive semiconductors and IoT has been a major trend, as both industries require new chips for connectivity, power management, and processing.
- 4. **Geopolitical and Regulatory Considerations:** M&A activity in the semiconductor industry is often influenced by geopolitical factors, such as the U.S.-China trade tensions and the EU's antitrust regulations. These factors can complicate deals, as companies must navigate regulatory scrutiny,



especially in critical sectors like telecommunications and defense.

### C. Outsourced Assembly and Test (OSAT) Industry

The Global Outsourced Assembly and Test (OSAT) Industry refers to the outsourcing of the final stages of semiconductor production, including assembly (packaging) and testing, to third-party companies. These companies are essential for the semiconductor manufacturing ecosystem as they provide advanced packaging solutions, testing services, and assembly for semiconductor components before they reach end Customers or device manufacturers. The OSAT industry is crucial in Meeting the ever-growing demand for semiconductors, driven by innovations in consumer electronics, automotive, telecommunications, and other industries.

Key Segments and Services in the OSAT Industry:

#### 1. Assembly/Packaging Services:

- **Semiconductor Packaging:** This involves encasing semiconductors in protective materials to prevent damage and allow for easier integration into electronic devices. Different packaging techniques are used depending on the type of semiconductor and its intended application, such as flip-chip packaging, wire bonding, and system-in-package (SiP).
- **Advanced Packaging:** Techniques such as 3D packaging, wafer-level packaging (WLP), and chip-on-chip are becoming increasingly important as semiconductor sizes shrink and performance demands increase. These packaging techniques improve the performance, power efficiency, and thermal management of chips.

#### 2. Testing Services:

- **Functional Testing:** Ensures that semiconductors meet the required performance standards. This typically occurs after assembly and before the product is shipped to Customers.
- **Reliability and Quality Testing:** Includes tests for environmental and mechanical stresses, such as thermal cycling, shock resistance, and vibration tests.
- **Automated Testing:** With the rise of complex chips, automated testing equipment (ATE) is used to ensure consistency and efficiency in testing at high volumes.

#### 3. Outsourced Assembly and Test Regions:

- **Asia-Pacific (APAC):** The APAC region, particularly countries like China, South Korea, Taiwan, Japan, and Singapore, dominates the global OSAT market. The region accounts for a significant portion of the industry's global revenue due to the presence of leading companies such as ASE Group, Amkor Technology, and Siliconware Precision Industries.
- **North America:** North America is also a significant market, particularly for testing services, as many semiconductor companies based in the U.S. outsource the final assembly and testing stages to third-party vendors.
- **Europe:** The OSAT industry is smaller in Europe, but companies like STMicroelectronics have an increasing focus on outsourcing certain packaging and testing services to meet the growing demand for semiconductors.

#### 4. Market Trends and Drivers:

##### A. Miniaturization of Semiconductors:

- a. As semiconductors continue to shrink in size and increase in complexity, demand for advanced packaging solutions is growing. Technologies like 3D packaging, chip stacking, and system-in-package (SiP) are helping improve performance, reduce power consumption, and enhance functionality.
- b. The growing trend towards high-density interconnects (HDI) and multi-chip modules (MCM) is

driving the demand for OSAT services that can support these innovations.

**B. 5G and Telecommunications:**

- a. The rollout of 5G networks has significantly boosted the demand for semiconductors with specialized packaging and testing requirements. These chips need to be highly reliable, energy-efficient, and optimized for high-frequency performance, driving innovation in packaging solutions and testing.
- b. OSAT companies are increasingly providing advanced packaging solutions for 5G base stations, network infrastructure, and 5G-enabled devices.

**C. Automotive Industry Growth:**

- a. The rise of electric vehicles (EVs), autonomous driving, and advanced driver assistance systems (ADAS) has led to an increasing demand for automotive-grade semiconductors. These chips require special packaging and rigorous testing due to their safety-critical nature and operating conditions (e.g., high temperatures, vibrations).
- b. The OSAT industry plays a crucial role in Meeting these needs by providing durable, high-performance packaging and thorough testing for automotive chips.

**D. Consumer Electronics:**

- a. The demand for smartphones, wearables, smart home devices, and other consumer electronics is growing rapidly, creating continuous demand for semiconductor assembly and testing services. High-performance chips with lower power consumption are required, and OSAT companies are innovating to deliver solutions that address these needs.
- b. **The Internet of Things (IoT)** is a major driver as well, with OSAT companies providing packaging and testing services for the large number of connected devices requiring semiconductors.

**E. Increasing Demand for Advanced Packaging:**

- a. As the demand for performance increases, especially in areas like AI, machine learning, and data centres, advanced packaging techniques are becoming more common. OSAT companies are focusing on wafer-level packaging, fan-out packaging, and multi-die packaging to meet the needs of next-generation semiconductors.
- b. Additionally, the trend of heterogeneous integration (combining different semiconductor technologies in a single package) is pushing OSAT players to offer packaging solutions that allow for such integration.

**F. Cost Pressures and Supply Chain Resilience:**

- a. Semiconductor companies continue to face cost pressures and must balance high-quality testing with low-cost production. This has made outsourcing to OSAT companies, which can provide economies of scale, an attractive option.
- b. The COVID-19 pandemic revealed vulnerabilities in semiconductor supply chains, making supply chain resilience and flexibility even more critical. Many companies are looking to diversify their suppliers and build more resilient supply chains, which could affect outsourcing strategies.

**G. Sustainability and Green Packaging:**

- a. With growing environmental concerns, there is increasing interest in sustainable semiconductor packaging. OSAT companies are developing environmentally friendly materials and processes to reduce energy consumption and waste in the assembly and testing stages.
- b. The development of lead-free packaging, recyclable materials, and processes that reduce the use of toxic chemicals are gaining traction in the industry.

**Major Players in the OSAT Industry:**

1. ASE Group (Advanced Semiconductor Engineering):
2. Amkor Technology:
3. JCET Group:

4. Siliconware Precision Industries (SPIL):
5. Nordic Semiconductor:
6. King Yuan Electronics:

#### **Market Challenges:**

1. **Rising Costs:** The cost of advanced materials, labor, and manufacturing facilities is increasing. This has led to rising service prices, which could impact the OSAT industry's competitiveness.
2. **Capacity Constraints:** With increasing semiconductor demand, OSAT companies are facing capacity limitations, particularly when it comes to advanced packaging solutions like 3D packaging or chip stacking.
3. **Supply Chain Risks:** Disruptions in the global supply chain, especially during events like the COVID-19 pandemic, can impact OSAT providers' ability to source materials or provide timely services.

#### **OSAT Industry Outlook:**

The global outsourced assembly and test (OSAT) industry plays a vital role in the semiconductor supply chain, serving key sectors such as consumer electronics, telecommunications, automotive, and industrial automation. As demand for semiconductors continues to grow, driven by innovations like 5G, AI, and IoT, the OSAT market is expected to expand further. Companies are also adapting to challenges like cost pressures, supply chain resilience, and the need for advanced packaging solutions. OSAT players will continue to innovate, focusing on high-performance packaging, testing, and sustainable practices to meet the evolving needs of the semiconductor industry.

#### **D. The Indian Semiconductor Industry**

India's semiconductor industry is still in its developmental stage compared to other global powerhouses like the United States, Taiwan, South Korea, and China. However, India plays an integral role in the semiconductor ecosystem, particularly in design, testing, research and development (R&D), and services. The country's semiconductor industry is poised for rapid growth due to several factors:

- Strong IT and software capabilities.
- Government support and initiatives.
- Presence of global semiconductor companies with R&D facilities and outsourcing operations in India.
- Growing demand in electronics, automotive, telecommunications, and consumer goods sectors.
- Rising focus on semiconductor manufacturing and assembly in India.

#### **Key Areas of Focus for India in Semiconductor Manufacturing:**

##### **1. Semiconductor Design and R&D:**

- a. India has a well-established Semiconductor design ecosystem, with a number of companies focusing on designing chips for various applications like mobile devices, consumer electronics, automotive, and networking equipment.
- b. Companies like Qualcomm, Intel, Texas Instruments, and Broadcom have research and development (R&D) facilities in India, where they design and test chips.
- c. Startups and companies like Signal chip and Ineda Systems are making advancements in Semiconductor design for specialized applications like 5G, IoT, automotive electronics, and AI.

##### **2. Manufacturing and Assembly:**

- a. India has long relied on importing Semiconductors, with most of the manufacturing taking place in countries like Taiwan, China, and South Korea. However, the Indian government has launched initiatives to boost Semiconductor manufacturing within the country.
- b. The Production-Linked Incentive (PLI) Scheme launched in 2021 by the Indian government aims to incentivize semiconductor manufacturing by offering financial support to companies establishing semiconductor fabrication plants (fabs) and display fabs. Global Foundries, TSMC, and Samsung have shown interest in setting up manufacturing facilities in India, given the country's large domestic

market and its growing potential as a manufacturing hub.

### 3. Semiconductor Testing and Assembly:

- a. India is already a significant player in semiconductor testing and assembly services. Companies like Wipro, HCL Technologies, and Tata Consultancy Services (TCS) have been involved in semiconductor design verification, testing, and providing services to global semiconductor players.
- b. The outsource assembly and test (OSAT) industry is expected to grow, with a focus on providing assembly, packaging, and testing services for semiconductors used in consumer electronics, automotive, and industrial applications.

### 4. Focus on Automotive and Electric Vehicles (EVs):

- a. The automotive sector in India is one of the most significant consumers of semiconductor components. As electric vehicles (EVs) gain traction in the country, the demand for automotive-grade semiconductors for power electronics, battery management systems, and advanced driver-assistance systems (ADAS) is rising.
- b. Companies like Mahindra Electric, Tata Motors, and others are actively developing EVs, requiring an increasing number of semiconductors for electric powertrains, sensors, and infotainment systems.

### 5. 5G and Telecommunications:

- a. The rollout of 5G networks in India is driving demand for semiconductors used in base stations, devices, and wireless communication equipment. Companies like Reliance Jio, Bharti Airtel, and Vodafone Idea are ramping up efforts to roll out 5G infrastructure, creating a massive demand for specialized chips.
- b. India's involvement in 5G semiconductor manufacturing is also growing as companies seek to develop low-cost solutions for local markets. The Indian Institute of Technology (IIT)'s and various R&D centers are working on developing 5G-related semiconductor technologies.

### 6. Government Initiatives and Policies:

The Government of India has recognized the strategic importance of Semiconductors in the global economy and has made efforts to create a conducive environment for the industry's growth:

- a. **PLI Scheme for Semiconductors:** As mentioned earlier, the government has launched a Production Linked Incentive (PLI) Scheme for semiconductor manufacturing. This scheme offers financial incentives to companies setting up Semiconductor fabs, assembly units, and R&D centers in India.
- b. **Atmanirbhar Bharat Abhiyan (Self-reliant India Campaign):** One of the primary objectives of this campaign is to reduce India's dependence on imports, including Semiconductors. The government is focusing on strengthening domestic manufacturing capabilities.
- c. **Semiconductor Mission:** In December 2021, India launched a Semiconductor Mission with an investment of around INR 76,000 crore (~\$10 billion) to set up fabs and support the development of the semiconductor ecosystem.

### 7. Talent Pool and Education:

- a. India has a vast talent pool of skilled engineers, designers, and software developers who contribute to Semiconductor design, software development for Semiconductor tools, and R&D activities.
- b. IITs (Indian Institutes of Technology) and other leading technical institutes have been producing highly skilled engineers in the fields of electronics, embedded systems, and microelectronics, who are crucial for the development of the semiconductor sector.



## **Key Players in the Indian Semiconductor Industry:**

Tata Group, Qualcomm, Intel, Wipro, Ineda Systems, SEMIndia, Micron Technology

## **Challenges Facing the Indian Semiconductor Industry:**

**Lack of Domestic Fabs:** India currently does not have a domestic Semiconductor fab, and most of its Semiconductor requirements are met through imports. The establishment of Semiconductor fabs will take time due to high capital expenditure and technological complexities involved.

**Supply Chain Dependencies:** India is heavily reliant on global Semiconductor supply chains, and disruptions, such as those seen during the COVID-19 pandemic, can affect the availability of chips.

**Skilled Workforce Shortage:** While India has a strong pool of engineers, there is still a shortage of highly specialized talent in areas like Semiconductor manufacturing and advanced packaging.

**Investment and Infrastructure:** Setting up Semiconductor fabs requires significant investment in infrastructure, including advanced manufacturing technologies, cleanrooms, and R&D facilities. This infrastructure is still under development in India.

**Outlook for Indian Semiconductor Industry:** The Indian Semiconductor industry is at a pivotal moment, with strong government support, a growing domestic market, and increasing global demand for Semiconductor components. India has the potential to become a significant player in the global Semiconductor supply chain, especially in areas like Semiconductor design, R&D, testing, and assembly. However, challenges such as lack of domestic manufacturing fabs and supply chain dependencies need to be addressed. With continued investment, innovation, and policy support, India's Semiconductor industry is poised for growth and will play an increasingly critical role in the global Semiconductor ecosystem.

**Opportunities & Threats in OSAT Industry:** In the context of Outsourced Semiconductor Assembly and Test (OSAT), the Opportunities and Threats are shaped by factors unique to the Semiconductor industry, global supply chains, and technological advancements. Below is a breakdown of these opportunities and threats:

### **Opportunities in OSAT:**

**Growing Demand for Semiconductors:** The increasing demand for semiconductors across various industries such as automotive (e.g., electric vehicles), consumer electronics, IoT, 5G infrastructure, and AI-driven devices creates opportunities for OSAT providers to expand their services.

**Technological Advancements in Packaging:** With innovations in semiconductor packaging such as 3D packaging, System-in-Package (SiP), and wafer-level packaging, OSAT companies can offer advanced solutions, improving performance, miniaturization, and energy efficiency, thereby gaining a competitive advantage.

**Diversification in End Markets:** The rise of emerging markets like automotive electronics, artificial intelligence, and edge computing provides new revenue streams for OSAT companies. As these industries require specialized semiconductor packaging and testing solutions, OSAT firms can expand their portfolios to meet specific needs.

**Global Semiconductor Shortage:** The global chip shortage has put pressure on manufacturers to ramp up production. This has created a surge in demand for OSAT services, which handle the final steps of semiconductor production. OSAT providers can capitalize on the increased need for assembly and testing capacity.

### **Outsourcing Trend from Fabless Semiconductor Companies:**

Many fabless semiconductor companies (who design chips but do not own manufacturing facilities) rely on OSAT providers for assembly and testing. As more companies adopt fabless models, the demand for OSAT services will continue to grow.

**Nearshoring and Regionalization of Supply Chains:** The shift toward regional supply chains, especially in the wake of geopolitical tensions and the COVID-19 pandemic, presents an opportunity for OSAT companies to provide services closer to their Customers, reducing lead times and logistics costs.

**Sustainability and Green Packaging Solutions:** With increasing focus on sustainability, OSAT companies can offer environmentally friendly packaging and testing solutions, Meeting regulatory requirements and consumer demand for greener products.

#### **Threats in OSAT:**

**Price Pressures and Cost Competitiveness:** As semiconductor companies seek to reduce costs, OSAT providers face intense price competition. Lower margins can result from pricing pressures, especially from low-cost regions like Southeast Asia, which could erode profitability.

**Supply Chain Disruptions:** The semiconductor industry is highly sensitive to global supply chain disruptions. Events like natural disasters, geopolitical tensions (e.g., US-China trade war), and pandemics can disrupt the availability of materials, delay production timelines, and increase costs for OSAT providers.

**Technological Complexity and Innovation Challenges:** As semiconductors continue to become smaller and more complex, OSAT companies must constantly invest in R&D to keep up with evolving technologies. Failure to adapt to new packaging technologies or advanced testing methodologies can result in lost market share.

**Consolidation and Mergers among OSAT Providers:** The semiconductor assembly and test industry has seen significant consolidation. Larger companies may dominate the market, reducing opportunities for smaller OSAT players and increasing competition for contracts from Customers.

**Labour Shortages and Skills Gap:** As semiconductor technology becomes more advanced, OSAT companies may struggle to find workers with the necessary technical skills to operate sophisticated equipment for assembly and testing. A shortage of skilled labour can lead to delays, errors, and reduced efficiency.

**Geopolitical Risks:** The OSAT industry is heavily influenced by geopolitical dynamics. Trade wars, tariffs, and sanctions (such as those between the US and China) can disrupt the global semiconductor supply chain, impact the flow of materials, and limit market access for OSAT providers.

**Intellectual Property (IP) Theft and Cybersecurity Risks:** OSAT companies work with proprietary technologies, and the risk of intellectual property theft is a constant concern, especially in regions with weaker IP protections. Cyberattacks can also jeopardize sensitive testing data, leading to financial and reputational damage.

**Environmental Regulations:** Increasingly stringent environmental regulations on hazardous materials, waste disposal, and emissions could impact the costs of semiconductor assembly and testing. OSAT companies must adapt to comply with local and international environmental standards, which could require significant investments.

#### **Summary:**

Opportunities for OSAT providers stem from the rapid growth in semiconductor demand, technological advancements in packaging, and shifting supply chain dynamics. By capitalizing on trends like fabless semiconductor models, automotive and AI markets, OSAT providers can expand and grow.

#### **Some key Opportunities for the Company:**

1. Government of India has announced some special incentives for Assembly, Test, Mark & Packaging units for providing Capex subsidy up to 50% with a minimum threshold investment of Rs.50Cr. The Tamilnadu State Government has also announced special incentive of 50% of what is offered as incentive by Central Government ie) 25% of Project cost. Your Company is exploring sourcing funds with Banks and Financial Institutions to make use of this Opportunity.
2. Due to US-China trade conflicts most Companies are looking for alternate Manufacturing sources

for Chinese OSATS and this could be of immense help

Threats, on the other hand, include external factors such as price pressure, supply chain disruptions, technological challenges, and geopolitical instability. OSAT companies must also navigate competition and potential consolidation while ensuring they adapt to new regulatory and labour demands.

#### **Threats to the Company:**

1. Further to the incentives announced by the India Semiconductor Mission for Assembly, Test, Mark & Packaging units your Company will have Competitors in near future within India.
2. Government of India has withdrawn the export incentives offered to the Company. Your Company is striving to reinstate the above benefits by taking up the case with appropriate government bodies in India.
3. Rising Employees costs and Energy costs & Pricing pressure from Customers
4. Orders slowdown due to Global inventory correction process with many component suppliers.

#### **Financial Performance**

The financial performance is covered in the Directors' Report and can be referred there.

#### **Financial Ratios:**

##### **Financial Ratios**

<b>Financial Ratios</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Current Ratio (in times)	0.77	1.01
Debt-Equity Ratio (in times)	2.4	0.84
Debt Service Coverage Ratio (in times)	(3.81)	(2.97)
Return on Equity Ratio (in %)	(162.99)	(50.75)
Inventory turnover ratio (in times)	0.26	0.27
Trade Receivables turnover ratio (in times)	8.07	7.93
Trade payables turnover ratio (in times)	(6.01)	0.67
Net capital turnover ratio (in times)	0.47	11.64
Net profit ratio (in %)	(267.62)	(139.85)

#### **Analysis of Financial Ratios : (FY2024-25)**

- a. The Net loss and drop in Return on Equity is due to Old inventory write off
- b. Increase in Debt-equity and Debt service coverage is due to additional Rs.2.25Cr availed from the bank and equity reduction due to losses.
- c. Net Capital turn over increase is due to decrease in Sales turnover

#### **Internal Control Systems and their Adequacy**

The HO & WTD and CFO certification provided in the Annual Report discusses the adequacy of our internal control systems and procedures.

#### **Information Technology**

The Company has taken necessary precautions towards ensuring safe operation of Internal servers and to prevent from any forms of Cyber-attacks.

**Material Developments in Human Resources/Industrial Relations Front, including number of People Employed**

Your Company values its human resource as the most significant asset and the key focus is to attract, retain and develop talent as a resource. Your Company provides a congenial working atmosphere which will foster creative thinking. As part of manpower development and to enhance operational efficiency, training programs have been organised for employees at all levels, wherever necessary. The HR programs of the Company focus on building capabilities and engaging employees through various initiatives to help the organisation consolidate and achieve sustainable future growth for the business. The details of human resource development measures taken by the Company are also covered in the Directors' Report and can be referred to in the said Report.

The total strength of the Company as on Mar 31, 2025: 103

**Note :** Risks and Concerns are covered under Opportunities and Threats.

Date : Aug 13, 2025

Place : Chennai

**By Order of the Board  
For SPEL Semiconductor Limited**

**Sd/-  
S. Chandramohan  
Director  
DIN : 0052571**

**Sd/-  
P. Balamurugan  
Head Operations & Whole-Time Director  
DIN : 07480881**

## Independent Auditors Report

To the Members of **SPEL Semiconductor Limited**

Report on the Audited Financial Statements

### Qualified Opinion

We have Audited the accompanying standalone financial statements of **SPEL Semiconductor Limited** ("the Company"), which comprise the Balance Sheet as at Mar 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at Mar 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

*i) Attention is drawn to Note 5.2 of the accompanying statement where in the Company has incurred the losses and generated negative cash flows during the period under review and in earlier years. The above indicates that a material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern. Pending resolution of the above uncertainty, the Company has prepared the aforesaid statement on going concern basis.*

We conducted our Audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our Audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the Audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit opinion on the standalone financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures thereto but does not include the financial statements and our Auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our Audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with financial statements, or our knowledge obtained during the course of our Audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an Audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an Audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the Audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform Audit procedures responsive to those risks, and obtain Audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the Audit in order to design Audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the Audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the Audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our Audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the Audit and significant Audit findings, including any significant deficiencies in internal control that we identify during our Audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our Audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our Audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the Directors as on Mar 31, 2025 taken on record by the Board of Directors, none of the Directors is disqualified as on Mar 31, 2025 from being appointed as a Director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in “**Annexure B**”.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. No amounts were required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(c) Based on the Audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our Notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.  
(d) The Company has not declared or paid any dividend during the year Hence we don’t comment on the compliance with section 123 of the Companies Act, 2013.
    - v. The Company has not used accounting software (Tally Prime Edit Log 3.0.1) for maintaining its books of accounts for the financial year ended Mar 31, 2025 which has a feature of recording Audit Trail.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central

Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the “**Annexure C**” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

for **Venkatesh & Co.,**  
Chartered Accountants  
FRN: 004636S

Sd/-

**CA Dasaraty V**  
Partner  
M No: 026336

ICAI UDIN: 24026336BKCZJY4662  
Chennai.: May 24, 2025

## **Annexure “A” To the Independent Auditors Report**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SPEL Semiconductor Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have Audited the internal financial controls over financial reporting of SPEL Semiconductor Limited (“the Company”) as of Mar 31, 2025 in conjunction with our Audit of the standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our Audit. We conducted our Audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an Audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the Audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our Audit involves performing procedures to obtain Audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the Audit evidence we have obtained, is sufficient and appropriate to provide a basis for our Audit opinion on the internal financial controls system over financial reporting of the Company.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have



a material effect on the financial statements.

### **Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Qualified Opinion**

According to the information and explanations given to us and based on our Audit, except for the effects of the matter described below, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls were operating effectively as on Mar 31, 2025:

The Company does not have an adequate internal control system commensurate with the size and nature of its operations in respect of maintenance of inventory and stock records. The inventory records have not been properly maintained and updated on a timely basis. In our view, this constitutes a material weakness in the Company's internal control over financial reporting in respect of inventory.

A '**Material weakness**' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weakness described above, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal controls were operating effectively as of March 31, 2025, based on the internal control criteria established by the Company considering the essential components of internal control stated in the said Guidance Note issued by the ICAI.

### **Basis for Qualified Opinion**

During the course of our Audit, we observed that the Company does not have an adequate internal control system commensurate with the size and nature of its operations in respect of **maintenance of inventory and stock records**. The inventory records have not been properly maintained and updated on a timely basis. In our view, this constitutes a material weakness in the Company's internal control over financial reporting in respect of inventory.

For **Venkatesh & Co.,**

Chartered Accountants

FRN: 004636S

**Sd/-**

**CA Dasaraty V**

Partner

M No: 026336

UDIN : 24026336BKCZJY4662

Chennai, May 24, 2025



## **Annexure 'B' to the Independent Auditors Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **SPEL Semiconductor Limited** of even date)

i. In respect of the Company's fixed assets:

- (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.  
  
B) In respect of Intangible Assets, there were no intangible Assets hence reporting under this clause is not applicable.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner covering all assets once every 3 years which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, we were informed that, certain fixed assets were physically verified by the Management during the year. According to the information there were no material discrepancy were Noticed during such verification.
- (c) In our opinion and according to the information and explanations given to us and the records examined by us, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at Mar 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder

ii. a) In our opinion and according to the information and explanations given to us, the inventories have been physically verified by the management during the year but the periodicity of verification is not adequate as all the Inventories are not verified. On such verification, discrepancies were noticed which is less than 10% of the total inventory and have been appropriately dealt with in the books of account.

- 1. The Company has been sanctioned working capital limits in excess of ₹5 Crores in aggregate from banks or financial institutions, secured against its land and building. As per the terms of the sanction, the Company is required to submit a stock statement on an annual basis, which has not been duly complied with during the year. Hence, we are unable to report on the discrepancies between stock submitted with the bank and the book records
- 2. However, in our opinion, the Company does not have an adequate internal control system commensurate with the size and nature of its business for managing inventory and maintaining proper stock records.

iii. The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

- a). The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- b) The Company has not made investments (or) granted loan during the year and hence reporting under this clause is not applicable.
  - 1. The Company has not provided any loans or advances in the nature of loans and hence reporting under this clause in not applicable.
  - 2. The Company has not provided any loans or advances in the nature of loans and hence

reporting under this clause is not applicable

3. The Company has not provided any loans or advances in the nature of loans and hence reporting under this clause is not applicable

4. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has not made investments in, granted any loans, secured or unsecured, furnished guarantees or provided security to any party covered by provisions of sections 185 and 186 of the Companies Act, 2013. Hence reporting on whether there is a compliance with the said provisions does not arise.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at Mar 31, 2025 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3 (vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

a) The Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, and other material statutory dues applicable to it with the appropriate authorities and the arrears of such dues outstanding as at Mar 31, 2025 for a period of more than six months from the date they became payable are:

(₹ in lakhs)

S No	Name of the statute	Nature of dues	Amount
1	Employees Provident fund Act, 1952	EPS payable	5.04
2	Employees Provident fund Act, 1952	EDLI payable	31.00
3	Employees Provident fund Act, 1952	Delayed Interest on EPF payable	1,31.69
4	Income Tax Act, 1961	Income tax payable u/s 147 for AY 2012-13	2,95.76
5	Income Tax Act, 1961	Income tax payable u/s 263 for AY 2015-16	1,79.19
6	Income Tax Act, 1961	Income tax Interest u/s 263 for AY 2017-18	38.10
7	Income Tax Act, 1961	Income tax payable u/s 263 for AY 2020-21	34.65
8	Income Tax Act, 1961 (TDS)	Traces Defaults	14.47
9	Goods & Services tax	GST RCM payable	27.79
10	Professional tax	Professional tax payable	1.11

- According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income tax, Sales tax, Service tax, Duties of customs, Duties of Excise, Value added tax which have not been deposited on account of any dispute, except the following

(₹ in lakhs)

S No	Name of the statute	Nature of dues	Amount	Period	Forum where dispute is pending
1	Income tax Act, 1961	Income Tax	65.53	AY 2000-01	Madras High Court
2	Income tax Act, 1961	Income Tax	6,58.65	AY 2017-18	CIT Appeals

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon.

Nature of borrowing including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	Period of delay	Remarks, if any
Interest free short term loan	Accuspeed Engineering Services India Private Limited	26,12,543	Interest	More than 365 Days	Nil

- a. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - b. The term loans have been utilized by the Company for the same purpose for which the loan has been sanctioned and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
  - c. On an overall examination of the financial statements of the Company, no funds raised on short-term basis have, prima facie, been used during the year for long-term purposes by the Company.
  - d. The Company is not having any subsidiaries and hence reporting under this clause is not applicable.
  - e. The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3 (ix)(f) of the Order is not applicable.
- x. a. The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of Preference shares and hence reporting under this clause is not applicable.
8. (a) To the best of our knowledge and according to the information and explanations given to us, No fraud by the Company and no material fraud on the Company has been Noticed or reported during the year.
- a. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report
  - b. The Company has not received any complaints from whistle blower during the year (and upto the date of this report).
- xi. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is in

compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards

- xiv. (a) The Company has separate internal Audit system; the existing internal controls are commensurate with the size and the nature of its business.
- (b) The reports of Internal Auditor for the Audit period have been considered by the Statutory Auditor.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses in the financial year amounting to Rs. 1349.14 in lakhs and in the immediately preceding financial year an amount of Rs. 56.82 lakhs.
- xviii. There has been no resignation of the statutory Auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention (*except for the matters specified in basis for qualified opinion paragraph*), which causes us to believe that any material uncertainty exists as on the date of the Audit report indicating that Company is capable of Meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the Audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us, provisions of section 135 of Companies Act 2013 are not applicable to the Company. Hence, reporting under clause 3(xx)(a) & 3(xx)(b) of the Order is not applicable.
- xxi. According to the information and explanations given to us, reporting under clause 3(xxi) of the Order is not applicable as the Company is not a Holding Company.

for **Venkatesh & Co.,**  
Chartered Accountants  
FRN: 004636S

**Sd/-**

**CA Dasaraty V**  
Partner  
M No: 026336

UDIN : 24026336BKCZJY4662  
Chennai : May 24, 2025

**SPEL Semiconductor Limited**

5, CMDA Industrial Estate, Maraimalai Nagar TN 603209 IN  
CIN: L32201TN1984PLC011434

**Balance Sheet as at Mar 31, 2025**

(₹ in lakhs)

Particulars	Notes	31-Mar-25	31-Mar-24
<b>Assets</b>			
<b>A) Non-Current Assets</b>			
a) Property, Plant and Equipment and Intangible assets			
--- (i) Property, Plant and Equipment	4.1	23,36.96	25,54.34
--- (ii) Capital Work In progress	4.2	11.67	11.67
b) Investment Property	4.3	48,96.42	48,96.42
c) Financial Assets			
--- (i) Others	4.4	51.09	56.57
<b>Total Non-Current Assets</b>		<b>72,96.14</b>	<b>75,19.00</b>
<b>B) Current Assets</b>			
a) Inventories	4.5	23,09.06	37,25.31
b) Financial Assets			
--- (i) Trade Receivables	4.6	77.63	1,17.32
--- (ii) Cash and Cash Equivalents	4.7	0.16	0.32
c) Current Tax Assets	4.8	31.97	1,01.91
1. Other Current Assets	4.9	14.73	6.32
d) Assets held for sale	5.0	30,79.81	30,79.81
<b>Total Current Assets</b>		<b>55,13.37</b>	<b>70,31.00</b>
<b>Total Assets</b>		<b>128,09.50</b>	<b>145,50.00</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>A) Equity</b>			
a) Equity Share Capital	5.1	46,11.74	46,11.74
b) Other Equity	5.2	(33,20.48)	(1,305.20)
<b>Total Equity</b>		<b>12,91.26</b>	<b>33,08.05</b>
<b>B) Liabilities</b>			
<b>Non - Current Liabilities</b>			
a) Financial Liabilities			
--- (i) Borrowings	5.3	20,52.72	19,60.50
--- (ii) Others	5.4	1,26.54	1,17.24
b) Provisions	5.5	71.32	98.13
c) Deferred tax liabilities (Net)	5.6	20,11.07	20,55.42



d) Other non-current liabilities	5.7	54.53	82.76
<b>Total Non - Current Liabilities</b>		<b>43,16.18</b>	<b>43,14.05</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
--- (i) Borrowings	5.8	10,47.42	8,29.54
--- (ii) Trade Payables			
total outstanding dues of micro enterprises and small enterprises; and	5.9	31.28	1.76
total outstanding dues of creditors other than micro enterprises and small enterprises		3,21.24	4,49.10
--- (iii) Others	5.10	1,05.55	1,30.57
b) Other Current Liabilities	5.11	55,25.91	53,69.44
c) Short Term Provisions	5.12	1,76.56	1,47.50
<b>Total Current Liabilities</b>		<b>72,02.06</b>	<b>69,27.90</b>
<b>Total Equity &amp; Liabilities</b>		<b>128,09.50</b>	<b>145,50.00</b>

The accompanying notes form an integral part of the financial statements (Note No: 3)

For and behalf of the Board

for Venkatesh & Co.,  
Chartered Accountants  
FRN: 004636S

Sd/-  
CA Dasaraty V  
Partner  
M No: 026336  
Chennai., May 24, 2025

S Chandramohan  
Director  
DIN: 00052571

P Balamurugan  
Director  
DIN:  
07480881

R. Venkatesh  
Director  
DIN:07242631

**SPEL Semiconductor Limited**

5, CMDA Industrial Estate, Maraimalai Nagar TN 603209 IN  
CIN: L32201TN1984PLC011434

**Statement of Profit and Loss for the Year Ended Mar 31, 2025**

(₹ in lakhs)

#	Particulars	Notes	31-Mar-25	31-Mar-24
I	Revenue from Operations	6.1	7,86.42	1,200.41
II	Other Income	6.2	1,65.48	1,40.96
III	<b>Total Income (I+II)</b>		<b>9,51.90</b>	<b>13,41.38</b>
IV	<b>Expenses</b>			
	Cost of materials consumed	6.3	2,92.19	4,77.24
	Changes in inventories of finished goods, Stock in trade, Work in Progress	6.4	(6.04)	1.97
	Employee Benefits Expense	6.5	3,91.28	3,94.85
	Finance costs	6.6	2,88.48	2,57.02
	Depreciation and amortization expense	6.7	2,00.50	2,87.91
	Other expenses	6.8	6,77.37	5,83.18
	<b>Total Expenses</b>		<b>18,43.77</b>	<b>20,02.17</b>
V	Profit / (loss) before exceptional items and tax		(8,91.87)	(6,60.79)
VI	Exceptional Items	6.9	(12,57.14)	(9,76.18)
VII	Profit / (Loss) before tax		(21,49.01)	(16,36.97)
VIII	Tax Expense:			
	(i) Current Tax		-	-
	(ii) Deferred Tax		44.35	41.78
	(iii) Prior period Taxes		-	-
IX	Profit (Loss) for the period from continuing operations		(21,04.66)	(16,78.75)
X	Profit (Loss) for the period from discontinued operations		-	-
XI	Profit (Loss) for the period		(21,04.66)	(16,78.75)
XII	Other Comprehensive Income		39.97	33.80
XIII	<b>Total Comprehensive Income</b>		<b>(20,64.69)</b>	<b>(16,44.95)</b>
XIV	Earnings Per Share: (In ₹)			
	(1) Basic		(4.56)	(3.64)
	(2) Diluted		(4.56)	(3.64)

The accompanying notes form an integral part of the financial statements (Note No: 3) As per our report of even date attached

For and behalf of the Board

for Venkatesh & Co.,  
Chartered Accountants  
FRN: 004636S

Sd/-  
CA Dasaraty V  
Partner  
M No: 026336  
Chennai., May 24, 2025

S Chandramohan  
Director  
DIN: 00052571

P Balamurugan  
Director  
DIN: 07480881

R. Venkatesh  
Director  
DIN:07242631

**SPEL Semiconductor Limited**

5, CMDA Industrial Estate, Maraimalai Nagar TN 603209 IN  
CIN: L32201TN1984PLC011434

**Cash Flow Statement for the Year Ended Mar 31, 2025**

**(₹ in lakhs)**

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Cash Flows From Operating Activities:</b>		
Profit/ (loss) for the year	(21,04.66)	(16,78.75)
<b>Non cash &amp; Non - operating items</b>		
<b>Add:</b>		
Deferred tax	44.35	41.78
Depreciation & Amortization Expenses	2,00.50	2,87.91
Bad & doubtful debts/advances provided	-	7.49
Foreign exchange (gains)/losses	(8.53)	(9.92)
Finance costs	2,88.48	2,57.02
<b>Less:</b>		
Interest received	3.78	-
Rent Income	1,41.51	1,40.83
Profit on sales of PPE	(16.88)	(46.28)
<b>Cash Flow Before Working Capital changes:</b>	(17,49.08)	(11,89.03)
<b>Change in operating assets and liabilities</b>		
Adjustments for changes for		
(Increase)/decrease in Inventories	14,16.26	13,32.17
(Increase)/decrease in Trade receivables	48.22	70.38
(Increase)/decrease in Other non-current & current financial assets	5.48	-
(Increase)/decrease in Other non-current & current assets	61.53	1,03.98
Increase/(decrease) in Trade payables	(98.24)	(1,89.55)
Increase/(decrease) in Other non-current & current financial liabilities	(15.72)	38.36
Increase/(decrease) in Other non-current & current liabilities	1,28.25	(10,25.65)
Increase/(decrease) in Non-current & current provisions	36.21	(23.94)
<b>Cash generated from operations</b>	(1,67.09)	(8,83.27)
Less : Income taxes paid (net of refunds)	-	-
<b>Net Cash Generated From Operating Activities (A)</b>	(1,67.09)	(8,83.27)

<b>Cash Flow from Investing Activities:</b>		
Purchase of PPE (including changes in CWIP)	-	(29.92)
Advance for sale of capital asset	-	7,70.00
Interest received	3.78	-
Rent received	1,41.51	1,40.83
Sale of PPE	-	-
Movement in other bank balances	-	-
<b>Net Cash flow used in Investing Activities (B)</b>	<b>1,45.29</b>	<b>8,80.91</b>
<b>Cash Flow from Financing Activities:</b>		
Proceeds from/ (repayment of) borrowings	3,10.11	2,59.31
Finance costs	(2,88.48)	(2,57.02)
<b>Net Cash flow used in Financing Activities (C)</b>	<b>21.63</b>	<b>2.29</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents: (A+B+C)</b>	<b>(0.16)</b>	<b>(0.09)</b>
Cash and cash equivalents at the beginning of the financial year	0.32	0.41
Exchange difference relating to foreign currency cash on hand	-	-
<b>Cash and cash equivalents at end of the year</b>	<b>0.16</b>	<b>0.32</b>
Components of cash and cash equivalents		
Balances with banks (in current accounts)	0.13	-
Cash in Hand	0.02	0.32
	0.16	0.32

- 1.The cash flow statement has been prepared in accordance with the requirements of Indian Accounting Standards issued by the Institute of Chartered Accountants of India.
- 2.Cash flows have been reported using the indirect method, whereby the net profit is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments, segregating between cash flows.
- 3.Significant cash and cash equivalent balances held by the enterprise are available for use by the Company.

**For and behalf of the Board**

for Venkatesh & Co.,  
Chartered Accountants  
FRN: 004636S

Sd/-  
CA Dasaraty V  
Partner  
M No: 026336  
Chennai., May 24, 2025

S	P Balamurugan	R. Venkatesh
Chandramohan		
Director	Director	Director
DIN: 00052571	DIN: 07480881	DIN:07242631



## **Note 1: Corporate Information**

SPEL Semiconductor Limited ("the Company") is a public limited Company incorporated and domiciled in India and governed by the Companies Act, 2013 ("Act"). The Company's registered office and factory is situated at 5, CMDA Industrial Estate, MM Nagar, Chennai, Tamil Nadu, India. SPEL is India's 1<sup>st</sup> and only semiconductor IC (Integrated Circuit) Assembly & Test facility based in Chennai. SPEL has been servicing the demanding US market for over 20 years now.

## **Note 2: Basis of preparation of financial statements**

### **A) Basis of preparation and presentation**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied

### **B) Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period

The estimates and assumptions used in these Ind AS financial statements are based on Management's evaluation of the relevant facts and circumstances as of the date of the Ind AS financial statements. The actual amounts may differ from the estimates used in the preparation of the Ind AS financial statements and the difference between actual results and the estimates are recognised in the period in which the results are known/materialise.

### **C) Functional and presentation currency**

These financial statements are presented in Indian Rupees in Lakhs, which is the Company's functional currency.

### **D) Current and Non-Current Classification:**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
  - Held primarily for the purpose of trading.
  - Expected to be realized within twelve months after the reporting period, or
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period,
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.

- It is due to be settled within twelve months after the reporting period, or
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified 1 month as its operating cycle.

### **Note 3: Significant Accounting Policies**

#### **Inventories: (Ind AS 2)**

Inventories are valued in accordance with the method of valuation prescribed by The Institute of Chartered Accountants of India at lower of cost or net realizable value.

Cost of raw materials, stores, spares, consumable tools and traded goods comprises cost of purchases and includes taxes and duties and is net of eligible credits under GST scheme. Cost of work-in-progress, work-made components and finished goods comprise direct materials, direct labour and an appropriate proportion of variable and fixed overheads, which is allocated on a systematic basis. Cost of inventories also includes all other related costs incurred in bringing the inventories to their present location and condition

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of inventories are determined as follows:

- Raw materials, stores, spares, consumable tools, traded goods: on moving weighted average basis; and
- Work-in-progress and finished goods: on moving weighted average basis plus appropriate share of overheads.

Cost of obsolete / non-moving inventories is provided based on policy adopted from transition date (Apr 1, 2016) which is as under:

Raw Materials, Consumables and spare parts non-moving over two years are provided in statement of profit and loss. Work-in-progress and finished goods non-moving over considerable period of time are provided in statement of profit and loss.

#### **Cash Flow Statement: (Ind AS 7)**

Cash flows are reported using the indirect method, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

#### **Taxes on Income: (Ind AS 12)**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognize directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and

prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

#### **Property, Plant & Equipment: (Ind AS 16)**

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight-line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciable, hence no depreciation charged to statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

<b>Type of Assets</b>	<b>Period</b>
Building	30 Years
Computer & Peripherals	3 Years
Plant & Machinery	15 Years
Office Equipment	5 Years
Furniture & Fittings	8 Years

#### **Revenue Recognition: (Ind AS 18)**

##### **Sale of goods:**

Revenue from sale of products is recognized at the point in time when control of the asset is transferred to the Customer, generally when the product is shipped to the Customer and accepted by the Customer.

Revenue is measured at the fair value of the consideration received or receivable.

##### **Sale of services:**

Revenue from services is recognized on completion of the service in accordance with the terms of contract and upon Customer acceptance.

**Other income:**

Other income is comprised primarily of interest income and Rental Income from lease of property. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

**Employee Benefits: (Ind AS 19)****Retirement benefit costs and termination benefits:**

Payments to defined contribution plans i.e., Company's contribution to provident fund, superannuation fund, employee state insurance and other funds are determined under the relevant schemes and/ or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the Employees.

For defined benefit plans i.e. Company's liability towards gratuity (partly funded), other retirement/ terminations benefits and compensated absences, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are comprised of:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e.changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

**Short term Employee Benefits:**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

In respect of Gratuity, the Company offers a non-contributory defined benefit plan to its Employees. The liability for the same, as at the year end, is provided for on the basis of Actuarial Valuation. The entity is operating through SPIC Electronic & System Limited Gratuity fund for all payments related to gratuity and the trust accounts are subjected to Audit.

In respect of Provident fund, the employees and the Company make fixed monthly contributions to the SPEL Semiconductor Limited Provident Fund equal to a specified percentage of the covered employee's salary. The interest rate payable by the Trust to the beneficiaries is being notified by the aforesaid Trust every year which is not less than the interest rate notified by the Government of India under the Employees Provident Fund Scheme. The Company has an obligation to make good the shortfall, if any, in the fund.

**Foreign Currency Transactions: (Ind AS 21)**

- a) Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date at which the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.
- b) Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.
- c) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).
- d) Gain on Foreign exchange (recognized in P&L a/c) : (8.53) Lakhs
- e) Earnings in Foreign Currency : 8,28.83 Lakhs
- f) Expenditure in foreign currency : 7.51 Lakhs
- g) Value of Imports (on C.I.F basis) : 404.55 Lakhs

**Borrowing Costs: (Ind AS 23)**

Borrowing cost include interest computed using effective interest rate method, amortization of ancillary costs incurred and exchange differences from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset is capitalized as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalization by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

**Related Party Disclosure: (Ind AS 24)**

- a) List of parties having significant influence

Ultimate Holding Company : Natronix Semiconductor Technology PTE LTD (Singapore)

Fellow Subsidiaries : Natronix Semiconductor Technology Private Limited



Key Managerial Personnel : i) P. Balamurugan - Head Operations & Whole-Time Director  
: ii) T. Parthasarathy - CFO  
: iii) Nupur Garg - Company Secretary

b) Transaction with related parties (Other than KMP):

(₹ in lakhs)

Name of the Related Party	Nature of Relationship	Nature of Transaction	FY 24-25	FY 23-24
Natronix Semiconductor Technology PTE LTD (Singapore)	Ultimate Holding Company	Business Promotion	27.84	-

c) Transaction with related parties (KMP):

(₹ in lakhs)

Name of the Related Party	Nature of Transaction	FY 2024-25	FY 2023-24
P Balamurugan	Director Remuneration	11.18	12.63
G Venkatesan	CFO Remuneration	1.89	3.70
S Sivaraman	CS Remuneration	0.60	4.00
Nupur Garg	CS Remuneration	2.25	-

### Earnings per Share & Diluted Earnings per Share (Ind AS 33)

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

(₹ in lakhs)

Particulars	2024-25	2023-24
Opening No. of Shares	4,61,17,443	4,61,17,443
Total No. of shares	4,61,17,443	4,61,17,443
Profit After Tax	(21,04.66)	(1678.74)
Earnings Per Share (in ₹)	(4.56)	(3.64)
Diluted Earnings per Share (in ₹)	(4.56)	(3.64)

### **Impairment of Assets: (Ind AS 36)**

At the end of each reporting period, the Company determines whether there is any indication that its assets (property, plant and equipment, intangible assets) have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### **Provisions, Contingent Liabilities and Contingent Assets (Ind AS 37)**

#### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made if realisation of money is doubtful in the judgement of the Management.

#### **Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Show cause Notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

#### **Contingent Assets**

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect. Contingent assets are disclosed but not recognized in the financial statements.

Details of contingent liabilities and contingent assets are tabulated as follows (₹ in Lakhs)

Particulars	2024-25	2023-24
<b>Contingent Liabilities</b>		
Claims against the Company not acknowledged as debt in respect of:		
i) Income Tax Dues:		
AY 2000-01	65.53	65.53
AY 2012-13	378.84	378.84
AY 2015-16	152.58	152.58
AY 2017-18	658.65	658.65
	<b>1255.60</b>	<b>1255.60</b>
ii) Service Tax		
AY 1991-92	2.61	2.61
AY 1992-93	19.27	19.27
AY 1993-94	9.61	9.61
AY 1996-97	1.13	1.13
Less: acknowledged as debt in books of accounts	(24.05)	(24.05)
	<b>8.57</b>	<b>8.57</b>
iii) SEBI Penalty	13.87	16.89
iv) ESIC Penalty	10.00	-
v) Interest & Penalty Charges – EPFO Pension	77.00	-
vi) Interest & Penalty Charges – EPFO (Contractors)	5.81	-
	<b>1,05.87</b>	<b>16.89</b>
<b>Contingent Assets</b>	-	-
<b>Excess of Contingent Liability over Contingent Assets</b>	<b>13,80.04</b>	<b>1,281.06</b>

#### **Non - Current Assets Held for Sale: (Ind AS 105)**

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met:

- Decision has been made to sell.
- The assets are available for immediate sale in its present condition.
- The assets are being actively marketed and
- Sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortized.

#### **Operating Segment Reporting (Ind AS 108)**

The Company is engaged in the business of "wafer sort, assembly, test and drop-shipment services of IC chips." and therefore, has reported under each reportable segment as per Ind AS 108 "Operating Segments"

#### **Information relating to Geographical Areas**

##### **a. Revenue from External Customers**

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
India	14.71	17.37
Other than India (Foreign Countries)	7,71.72	1,183.04
<b>Total</b>	<b>7,86.42</b>	<b>1,200.41</b>

##### **b. Non - current assets**

The assembly and testing facilities of the Company is situated in India and no non-current assets are held outside India.

##### **c. Information about major Customers**

**Clients individually accounted for more than 10% of turnover during the year**

(₹ in Lakhs)

Name of the Party	FY 2024-25	FY 2023-24
Renesas Electronics	-	1,37.31
Syrma SGS Technology Limited	2,41.76	2,54.95
Productivity Engineering GMBH	-	1,47.18
THAT Corporation	-	108.70
JVD Inc	1,61.62	-

#### **Financial Instrument: (Ind AS 109)**

##### **Financial Assets:**

##### **Initial recognition and measurement**

Financial assets are measured at fair value on initial recognition, except for trade receivables that do not contain a significant financing component which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

## **Subsequent measurement**

All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value depending on the classification of the financial assets.

Where financial assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss or 'FVTPL'), or recognised in other comprehensive income (i.e. fair value through other comprehensive income or 'FVTOCI').

A financial asset is measured at amortised cost (net of any write down for impairment) if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

All equity investments are measured at fair value, with fair value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present fair value changes in other comprehensive income. However, dividend on such equity investments are recognised in statement of profit and loss when the Company's right to receive payment is established.

## **Investment in associates, joint venture and subsidiaries**

The Company accounts for its investment in subsidiaries, associates and joint venture, at cost less impairment loss except where investments is accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

## **Impairment of Financial Assets:**

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss. Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables the Company applies a simplified approach under which loss allowance is recognised based on expected lifetime ECL losses to be recognised on each reporting date. The Company uses a provision matrix that is based on its historical credit loss experience adjusted for relevant forward-looking factors. For other assets, the Company uses 12 months ECL to provide for impairment loss were there is no significant increase in credit risk. If there is significant increase in credit risk since initial recognition, full lifetime ECL is used.

## **De-recognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for de-recognition under Ind AS 109.



## Financial Liabilities

### Initial recognition and measurement

Financial liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, which are not at fair value through profit or loss, are deducted from the fair value on initial recognition.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

### Subsequent measurement

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss ('FVTPL'). A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

### De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit and loss

### Leases: (Ind AS 116)

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognized to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognized as an expense in line with the contractual term.

### Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

for Venkatesh & Co.,

Chartered Accountants  
FRN: 004636S

Sd/-  
CA Dasarthy V  
Partner  
M No: 026336  
Chennai., May 24, 2025

For and Behalf of the Board

Sd/-	Sd/-	Sd/-
S Chandramohan	P Balamurugan	R. Venkatesh
Director	Director	Director
DIN: 00052571	DIN: 07480881	DIN:07242631

**SPEL Semiconductor Limited**

5, CMDA Industrial Estate, Maraimalai Nagar TN 603209 IN

CIN: L32201TN1984PLC011434

**Schedule of Property, Plant & Equipment and Companies Act, 2013  
Depreciation for the year ended Mar 31, 2025**

(₹ In lakhs)

S No	Particulars	Gross Block				Depreciation				Net Block	
		As on 01-04-2024	Additions	Deletion/ Adjustm	As on 31-03-2025	As on 01-04-2024	For the period	Deduction /	As on 31-03-2025	As at 31-03-2025	As at 31-03-2024
1	Buildings	2,96.59	-	-	2,96.59	2,63.83	2.56	-	2,66.39	30.20	32.76
2	Computer	6.82	-	-	6.82	6.74	0.07	-	-	-	0.07
3	Plant & Machinery	39,12.96	-	6,08.47	33,04.49	33,22.52	1,97.75	5,91.59	29,28.68	3,75.81	5,90.44
4	Office Equipment	2.71	-	-	2.71	2.54	0.13	-	2.67	0.05	0.17
5	Furniture & Fittings	11.22	-	-	11.22	11.22	-	-	11.22	-	-
6	Land	19,30.90	-	-	19,30.90	-	-	-	-	19,30.90	19,30.90
	<b>Total</b>	<b>61,61.20</b>	<b>-</b>	<b>6,08.47</b>	<b>55,52.73</b>	<b>36,06.86</b>	<b>2,00.50</b>	<b>5,91.59</b>	<b>32,15.78</b>	<b>23,36.96</b>	<b>25,54.34</b>

**4.2) Capital Work in Progress**

S No	Particulars	31-Mar-25	31-Mar-24
1	Machinery under Installation	11.67	11.67
	<b>Total</b>	<b>11.67</b>	<b>11.67</b>

S No	Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 Years	Total
1	Projects in progress	-	11.67	-	-	11.67
2	Projects temporarily suspended	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>11.67</b>	<b>-</b>	<b>-</b>	<b>11.67</b>

i) The financial statements have been prepared measuring the Property, Plant and Equipment and intangible assets at fair values at April 1, 2016 and use such fair value as its deemed cost as of the transition date., as explained in the accounting policies below.

Notes on accounts Balance Sheet (Assets) for the Year Ended Mar 31, 2025

(₹ In lakhs)

<b>4.3) Investment Property</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
<b>Particulars</b>		
Cost of the asset		
Opening balance	48,96.42	48,96.42
Additions	-	-
Reclassification	-	-
<b>Total</b>	<b>48,96.42</b>	<b>48,96.42</b>
<b>4.4) Others Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
<b>Unsecured, Considered good:</b>		
Security Deposits	51.09	56.57
<b>Total</b>	<b>51.09</b>	<b>56.57</b>
<b>4.5) Inventories Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Raw materials and components	1,45.85	1,16.62
Work-in-progress	24.97	18.93
Stores, spares and consumable tools	1,74.96	1,83.98
Finished goods	19,63.26	34,05.78
<b>Total</b>	<b>23,09.06</b>	<b>37,25.31</b>
<b>4.7) Cash &amp; Cash Equivalents</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
<b>Particulars</b>		
Cash on Hand	0.02	0.32
Cash in Bank	0.13	
<b>Total</b>	<b>0.16</b>	<b>0.32</b>
<b>4.8) Other Current Assets</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
<b>Particulars</b>		
Supplier advances	3.48	-
Prepaid Expenses	0.02	-
Rent Receivable	11.24	6.21
Others	-	0.11
<b>Total</b>	<b>14.73</b>	<b>6.32</b>
<b>4.9) Assets held for Sale *</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
<b>Particulars</b>		
Freehold land - Maraimalai Nagar	30,79.81	30,79.81
Less : Impairment	-	-
<b>Total</b>	<b>30,79.81</b>	<b>30,79.81</b>

\*The Company has classified the above assets as held for sale as the Company intends to realise benefit from these assets mainly through sale and not through continued use of the same for Company's operations. On initial recognition the assets held for sale is measured at lower of carrying cost and fair value less costs to sell.

(₹ In lakhs)

<b>4.6) Trade Receivables (*)</b>	<b>31-Mar-25</b>	<b>31-Mar-24</b>
<b>Particulars</b>		
<b>Unsecured, Considered Good:</b>		
Receivables outstanding for less than 6 months	77.63	1,16.91
Receivables outstanding for more than 6 months	-	0.42

	77.63	1,17.32
<b>Doubtful:</b>		
Receivables outstanding for less than 6 months	-	-
Receivables outstanding for more than 6 months	-	-
	-	-
<b>Total</b>	77.63	1,17.32

\* Balances are subject to confirmation and reconciliation

Trade receivables ageing schedule for the year ended as on Mar 31, 2024 and Mar 31, 2025						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 Years	More than 3 Years	
Undisputed Trade receivables - Consider	77.63	-	-	-	-	77.63
(Previous Year figures - FY 23-24)	1,16.91	0.42	7.24	0.23	-	1,17.32
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables - credit im	-	-	-	-	-	-
Disputed Trade receivables - considered	-	-	-	-	-	-
(Previous Year figures)	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(Previous Year figures)	-	-	-	-	-	-
Disputed Trade receivables - credit impai	-	-	-	-	-	-
<b>Total Trade Receivables</b>	<b>77.63</b>	<b>0.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,17.32</b>
(Previous Year figures - FY 23-24)	1,16.91	0.42	-	-	-	1,17.32

(₹ In lakhs)

5.1) Equity Share Capital Particulars	Mar 31 2025	Mar 31, 2024
<b>Authorised Capital</b>		
6,00,00,000 (6,00,00,000) Equity Shares of ₹ 10 each	60,00.00	60,00.00
<b>Total</b>	<b>60,00.00</b>	<b>60,00.00</b>
<b>Issued</b>		
4,61,47,613 (4,61,47,613) Equity Shares of ₹ 10 each	46,11.74	46,11.74
<b>Total</b>	<b>46,11.74</b>	<b>46,11.74</b>
<b>Subscribed &amp; Paid-up Capital</b>		
4,61,47,613 (4,61,47,613) Equity Shares of ₹ 10 each	46,11.74	46,11.74
<b>Total</b>	<b>46,11.74</b>	<b>46,11.74</b>

#### Number of Equity Shares at the beginning and end of the current and previous reporting periods

Particulars	Mar 31, 2025		Mar 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the reporting period	4,61,17,443	461,174,430	4,61,17,443	461,174,430
Changes in Equity Share Capital due to prior	-	-	-	-

period errors				
Restated balance at the beginning of the reporting period	-	-	-	-
Changes in Equity Share Capital during the period	-	-	-	-
Balance at the end of the reporting period	<b>4,61,17,443</b>	<b>461,174,430</b>	<b>4,61,17,443</b>	<b>461,174,430</b>

**Details of Shareholders holding more than 5% shares in the Company**

Name of Shareholder	Mar 31, 2025		Mar 31, 2024	
	No. of shares	% of Holding	No. of shares	% of Holding
Natronix Semiconductor Technology PTE LTD (Singapore)	2,58,11,207	55.97%	2,58,11,207	55.97%

**Rights, preferences and restrictions in respect of equity shares issued by the Company**

The Company has only one class of equity shares having a par value of ₹ 10 each. The equity shares of the Company having par value of ₹ 10 rank pari-passu in all respects including voting rights and entitlement to dividend.

**Shareholding of Promoter as at Mar 31, 2025**

Name of the Promoter	As at Mar 31, 2025			As at Mar 31, 2024	
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total share
Valli Arun	9,75,350	2.11%	-	9,75,350	2.11%
AR RM Arun	4,08,223	0.89%	-	4,08,223	0.89%
Dr. A. C. Muthiah	4,000	0.01%	0.01%	-	-
Dr. A.C. Muthiah - HUF	-	-	-0.01%	4,000	0.01%
Vibrant Industries Private Limited	90,000	0.20%	-	90,000	0.20%
Natronix Semiconductor Technology PTE LTD (Singapore)	2,58,11,207	55.97%	-	2,58,11,207	55.97%

Notes on accounts \_ Balance Sheet (Equity & Liabilities) for the Year Ended Mar 31. 2025

					(₹ In lakhs)
5.2) a. Other Equity			Reserves & Surplus		Total as on 31-03-2025
Particulars	Capital Reserve	General Reserve	Other comprehensive Income	Securities Premium Reserve	
Balance at the Beginning of the Current Reporting Period	1.51	(16,00.40)	2,47.85	47.35	(13,03.69)
Changes in accounting Policy/prior period errors		47.90	-	-	47.90
Additions: Profit of Current Reporting period		(21,04.66)	-	-	(21,04.66)
Total Comprehensive Income for the year		-	39.97	-	39.97
Dividends		-	-	-	-
Transfer to Retained		-	-	-	-



Earnings					
Premium on Equity Shares issued during the year		-	-	-	-
<b>Balance at the End of the Current Reporting Period</b>	<b>1.51</b>	<b>(36,57.16)</b>	<b>2,87.82</b>	<b>47.35</b>	<b>(33,20.48)</b>

<b>5.2) b. Other Equity</b>			<b>Reserves &amp; Surplus</b>		<b>Total as on 31-03-2025</b>
<b>Particulars</b>	<b>Capital Reserve</b>	<b>General Reserve</b>	<b>Other comprehensive Income</b>	<b>Securities Premium Reserve</b>	
Balance at the Beginning of the Current Reporting Period	1.51	78.34	2,14.06	47.35	3,41.26
Changes in accounting Policy/prior period errors	-	-	-	-	-
Additions: Profit of Current Reporting period	-	(16,78.75)	-	-	(16,78.75)
Total Comprehensive Income for the year	-	-	33.80	-	33.80
Any other charges	-				
Dividends	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-
Share Forfeited	-	-	-	-	-
<b>Balance at the End of the Current Reporting Period</b>	<b>1.51</b>	<b>(16,00.40)</b>	<b>2,47.85</b>	<b>47.35</b>	<b>(13,03.69)</b>

#### **Nature and purpose of Reserves:**

##### **i) General Reserve**

Represents accumulated profits earned by the Company and remaining undistributed as on date.

##### **ii) Other Comprehensive Income**

The reserve is in accordance with provisions of Indian Accounting Standards

##### **iii) Securities Premium Reserve**

Represents the premium on issue of equity shares and can be utilized in accordance with the provisions of Companies Act, 2013

(\*) Affected component of equity on voluntary change in accounting policy (Ind AS 18 - Revenue Recognition) for the earliest period presented. Refer to Note No: 2 A) of Annual Accounts

<b>5.3) Borrowings</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
<b>Particulars</b>		
<b>Secured:</b>		
i) Bonds or Debentures (*)	6,80.70	6,25.93
ii) Term Loan		

-- from banks (#)	4,04.60	4,47.18
	10,85.30	10,73.11
Less: Current Maturities of Long term Borrowings	62.88	76.00
	10,22.42	9,97.11
<b>Unsecured:</b>		
ii) Term Loan		
-- from other parties (^)	10,30.30	9,63.39
	<b>10,30.30</b>	<b>9,63.39</b>
<b>Total</b>	<b>20,52.72</b>	<b>19,60.50</b>

(\*) Secured against the plant & machinery as per the debenture trust deed entered with SBICAP Trustee Company Limited (#) Secured against the mortgage of factory land & building

(^) Balances are subject to confirmation and reconciliation.

<b>5.4) Other financial liabilities</b>		
<b>Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Rental Deposit	1,26.54	1,17.24
<b>Total</b>	<b>1,26.54</b>	<b>1,17.24</b>

<b>5.5) Provisions Particulars</b>		
<b>Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Provision for employee benefits		
-- Gratuity Long Term	71.32	98.13
<b>Total</b>	<b>71.32</b>	<b>98.13</b>

<b>5.6) Deferred Tax Liabilities (Net)</b>		
<b>Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Deferred Tax Liability	20,11.07	20,55.42
<b>Total</b>	<b>20,11.07</b>	<b>20,55.42</b>

<b>5.7) Other non - current liabilities</b>		
<b>Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Advance Income - Rental Deposit (Ind AS)	54.53	82.76
<b>Total</b>	<b>54.53</b>	<b>82.76</b>

<b>5.8) Borrowings</b>		
<b>Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
<b>Secured:</b>		
i) from Banks (*)		
-- IOB Overdraft	8,84.54	6,53.54
-- Covid 19 Loan from IOB Bank - I	-	-
-- LRD 5 Crs	62.88	-

ii) from Others	-	-
Short Term _ Unsecured Loan	1,00.00	1,00.00
<b>Current Maturities of Long term Borrowings</b>		
i) from Banks	-	76.00
<b>Total</b>	<b>10,47.42</b>	<b>8,29.54</b>

<b>5.9) Trade Payables (*) Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Total outstanding dues of MSME; and (#)	31.28	1.76
Total outstanding dues of creditors other than MSME (#)	3,21.34	4,49.10
<b>Total</b>	<b>3,52.62</b>	<b>4,50.86</b>

\* Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management represents the principal amount payable to these enterprises. There is interest due and outstanding as on the reporting date.

# Balances are subject to confirmation and reconciliation.

<b>Trade payables ageing schedule for the year ended as on Mar 31, 2025 and Mar 31, 2024 :</b>					
<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>				<b>Total</b>
	<b>&lt;1 year</b>	<b>1 - 2 yrs</b>	<b>2 - 3 yrs</b>	<b>&gt;3yrs</b>	
MSME	30.90	0.38	-	-	31.28
(Previous Year 23-24)	0.38	-	-	1.38	1.76
Others	-	3,21.34	-	-	3,21.34
(Previous Year 23-24)	-	4,49.10	-	-	4,49.10
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>30.90</b>	<b>3,21.34</b>	<b>-</b>	<b>-</b>	<b>3,52.62</b>
(Previous Year 23-24)	0.38	4,49.10	-	1.38	

<b>5.10) Other financial liabilities Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Interest accrued and due on secured loans	31.41	31.41
Interest accrued and due on unsecured loans	74.14	99.15
<b>Total</b>	<b>1,05.55</b>	<b>1,30.57</b>
<b>5.11) Other Current Liabilities Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Advance from Customers	63.16	38.69
Statutory liabilities	18.15	6.75
Advances for Sale of Capital Asset	47,19.50	47,19.50

Employee benefits	4,98.50	3,86.91
Outstanding Liabilities	2,26.60	2,17.59
<b>Total</b>	<b>55,25.91</b>	<b>53,69.44</b>
<b>5.12) Short term Provisions</b>		
<b>Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Provision for Employee Benefits		
-- Gratuity Short Term	60.53	81.67
-- Compensated absence Short Term	38.89	38.89
Outstanding Demand Payable	71.14	26.95
<b>Total</b>	<b>1,70.56</b>	<b>1,47.50</b>

**Notes forming part of Statement of Profit & Loss for the Year Ended Mar 31, 2025**

(Rs. In Lakhs)

<b>6.1) Revenue from Operations</b>		
<b>Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Revenue from Sales		
-- Export Sales	7,69.12	11,98.10
Revenue from Services	17.31	2.31
<b>Total</b>	<b>7,86.42</b>	<b>12,00.41</b>
<b>6.2) Other Income</b>		
<b>Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Interest Income - Deposits	3.78	-
Interest Income - Others	1.59	-
Rental Income	1,41.51	1,40.83
Miscellaneous Income	0.98	0.13
Other Income - Amortised cost (IND AS)	9.09	-
Gain on Exchange fluctuation	8.53	-
<b>Total</b>	<b>1,65.48</b>	<b>1,40.96</b>
<b>7.1) Cost of materials consumed Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Inventory at the beginning of the year	1,16.62	1,95.47
Add: Purchases & Other Expenses	3,21.42	3,98.39
Less: Inventory at the end of the year	1,45.85	1,16.62
<b>Total</b>	<b>2,92.19</b>	<b>4,77.24</b>
<b>7.2) Changes in inventories of finished goods, Stock in trade, Work in Progress</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
<b>Particulars</b>		
Opening Balance		
-- Work in Progress - IC chips	18.93	20.90
-- Finished Goods	46,80.61	46,80.61
Closing Balance		
-- Work in Progress - IC chips	24.97	18.93
-- Finished Goods	46,80.61	46,80.61
<b>Total Change in inventories</b>	<b>(6.04)</b>	<b>1.97</b>
<b>7.3) Employee Benefits Expense Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>

Salaries, wages and bonus	2,65.83	3,53.50
Contribution to Provident and other funds	1,21.95	25.40
Staff Welfare Expenses	3.49	15.95
<b>Total</b>	<b>3,91.28</b>	<b>3,94.85</b>
<b>7.4) Finance Costs Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Interest on Bank Borrowings	1,25.95	1,08.37
Interest on Unsecured Borrowings	1,37.92	1,53.19
Interest on Others	24.61	(4.54)
<b>Total</b>	<b>2,88.48</b>	<b>2,57.02</b>
<b>7.5) Depreciation And Amortisation Expenses Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Depreciation	2,00.50	2,87.91
<b>Total</b>	<b>2,00.50</b>	<b>2,87.91</b>
<b>7.6) Other Expenses Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Auditors Remuneration		
-- Statutory Audit fee	3.00	3.00
Business Promotion	28.74	-
Bad and doubtful debts	-	7.49
Car Hire charges	1.91	2.67
Communication expenses	0.90	1.09
Director sitting fees	2.91	2.72
Power and fuel	2,44.27	2,50.64
Legal and professional charges	59.20	48.93
Insurance	0.28	12.31
Loss on exchange fluctuation	-	(9.92)
Miscellaneous	4.64	9.14
Postage, Printing & Stationery	0.81	1.38
Rates and taxes	68.06	28.52
Repairs and maintenance		
-- Buildings	9.85	12.60
-- Plant and machinery	1.18	1.77
-- Others	25.53	24.22
Security charges	16.30	14.30
Travelling & Conveyance	-	-
-- Foreign travel	7.51	5.22
-- Domestic Travel	2.08	2.02
Bank Charges	18.47	16.47
Loss on Sale of PPE	16.88	46.28
Consumption of stores and tools	1,13.21	1,02.32
Balance Write off	51.65	-
<b>Total</b>	<b>6,77.37</b>	<b>5,83.18</b>
<b>7.7) Exceptional items Particulars</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>
Stock Written Off - FG	(14,42.52)	(12,74.83)
Credit balances written back	1,85.38	2,98.66
<b>Total</b>	<b>(12,57.14)</b>	<b>(9,76.18)</b>