



THE DEPARTMENT OF CORPORATE SERVICES,  
BOMBAY STOCK EXCHANGE LTD,  
FLOOR 25, P.J.TOWERS,DALAL STREET ,  
MUMBAI – 400 001.

03-11-2021

DEAR SIRS,

**SUB:ANNUAL REPORT 2020-21**  
**REF : STOCK CODE NO: 517166**

With reference to the captioned subject, PFA a PDF File containing the Annual Report 2020-21, the soft copy of which is being mailed electronically to all the members of the company which may please be taken on record.

We request you to kindly take note of the above.

THANKING YOU,  
For SPEL Semiconductor Limited,

**[D. Balakrishnan]**  
**CHIEF EXECUTIVE OFFICER & DIRECTOR**

Encl: As above



**SPEL Semiconductor Limited**

an IC Assembly & Test Company

**36<sup>th</sup> Annual Report 2020- 21**

*Defining The Future Through Partnerships*



# SPEL Semiconductor Limited

an IC Assembly & Test Company

## 36<sup>TH</sup> ANNUAL REPORT 2020-21

### Board of Directors

- 1.Mr.Ravikumar -Director
- 2.Mr.N.Suryanarayanan -Director
- 3.Dr.Enakshi Bhattacharya -Director
- 4.Mr.S.Chandramohan -Director
- 5.Mr.M.Balakrishnan - Whole-time Director & CEO

**Company Secretary**  
**Mr. S.Sivaraman**

**Chief Financial Officer**  
**Mr.G.Venkatesan**

### Auditors

Mr.K.Nandhiswaran F.C.A : F.C.S,  
Chartered Accountant,  
#40A, 1<sup>st</sup> Circular Road,  
Jawahar Nagar, Chennai- 600 082.

### 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,  
Ph : +91-44-28460390  
Fax : +91-44-28460129  
E-mail: investor@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

### 36<sup>th</sup> Annual General Meeting

#### Date & Time

29<sup>th</sup> November 2021 at 2.30 PM

#### Venue

Through Video Conferencing

#### Book closure

23rd November, 2021 to 29<sup>th</sup>  
November 2021 (both days  
inclusive)

**Previous 10 Years Performance**

	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Sales	1592.11	36,53.74	2,633.74	4,166.31	3,553.22	2,585.04	4,719.37	6,338.90	8,076.92	7,978.63
PBIDT	(17.36)	778.22	(301.68)	86.31	(2,298.94)	(986.62)	1,368.29	1,586.20	1,197.01	1,340.67
Finance Cost	116.45	142.61	2,84.37	289.16	215.67	304.40	404.29	470.37	584.01	325.12
PBDT	(413.89)	635.61	(586.05)	(202.85)	(2,514.61)	(1,291.02)	964.00	1,115.83	613.00	1,015.55
Depreciation	430.44	498.24	514.81	630.57	693.33	1,071.32	1,012.40	1,096.13	1,185.06	937.80
PBT	(844.33)	137.37	(1,100.86)	(833.42)	(3,207.94)	(2,362.34)	(48.40)	19.70	(572.06)	77.75
Tax Expense	19.17	29.29	(27.28)	13.64	(147.54)	(383.33)	(13.18)	(12.48)	(117.03)	20.81
PAT	(863.50)	108.08	(1,073.58)	(847.06)	(3,060.40)	(1,979.00)	(35.22)	32.18	(455.03)	56.94
Net Profit	(863.50)	108.08	(1,073.58)	(847.06)	(3,060.40)	(1,979.00)	(35.22)	32.18	(455.03)	56.94

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## NOTICE

Notice is hereby given that the **36<sup>th</sup> Annual General Meeting of the Members of SPEL Semiconductor Limited will be held on Monday the 29<sup>th</sup> day of November, 2021 at 2.30 PM IST** through video conferencing (“VC”) / Other Audio Visual Mechanism (“OAVM”) to transact the following business:

### Ordinary Business:

#### 1. Adoption of Financial Statements

To receive, consider and adopt the Balance Sheet as at Mar 31, 2021 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. Re-appointment of Director:

To appoint a Director in place of Mr. K. Ravikumar, who retires by rotation and being eligible, offers himself for re-appointment.

#### 3. Ratification of Appointment of Auditors

“Resolved that pursuant to provisions of Section 139 of the Companies Act, 2013, and Rules thereunder re-appointment of Mr. K. Nandhiswaran, Chartered Accountant (M.No.207644), as Statutory Auditor of the Company to hold office from the conclusion of this AGM to the conclusion of the 2<sup>nd</sup> consecutive AGM, be and is hereby ratified”

### Special Business:

#### 4. Appointment of Dr. Enakshi Bhattacharya as an Independent Director for a further period of five years with effect from 30<sup>th</sup> July 2021 to 29<sup>th</sup> July 2026.

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“Resolved that in accordance with the provisions of Sections 149, 150, 152 and applicable provisions of the Companies Act, 2013 (“Act”) thereunder read with Schedule IV to the Act as is current at any time, Dr. Enakshi Bhattacharya, (holding DIN 05277571), a Non-Executive Independent Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Act and is eligible for appointment as an Independent Director of the Company with effect from August 23, 2021 and upto August 22, 2026 not liable to retire by rotation.”

August 23, 2021  
Chennai.

By order of the Board,  
For SPEL Semiconductor Limited  
D. Balakrishnan  
Whole Time Director & CEO  
DIN: 02131242

### NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”)

through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to leadcs@gmail.com with a copy marked to evoting@cdslindia.com.

5. The Register of Members and the Share Transfer books of the Company will remain closed from 23<sup>rd</sup> November 2021 to 29<sup>th</sup> November 2021 (both days inclusive) for the purpose of Annual General Meeting of the Company.

6. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or 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 form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Cameo Corporate Services Limited for assistance in this regard.

7. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Cameo Corporate Services Limited in case the shares are held by them in physical form.

8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, Etc., to their DPs in case the shares are held by them in electronic form and to Cameo Corporate Services Limited in case the shares are held by them in physical form.

9. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-

10. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Cameo Corporate Services Limited in case the shares are held in physical form.

11. A statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to Special Business to be transacted at the meeting is annexed herewith.

12. Members holding shares in physical form, in identical order of names, in more than one folio are

requested to send to the Company or Cameo Corporate Services Limited, 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.

13. In case of joint holders, the Member 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.

14. Members desiring any clarification on accounts are requested to write to the Company at an early date through email on [ca@spel.com](mailto:ca@spel.com) so as to enable the Company to keep the information ready.

15. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.natronix.net](http://www.natronix.net) of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of CDSL: <https://www.evotingindia.com>.

16. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. Instructions for e-voting and joining the AGM are as follows:

a) 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 MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 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 (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

b) 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 to at least 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.

c) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

**The instructions for shareholders voting electronically are as under:**

(i) The voting period begins on 25<sup>th</sup> November, 2021 at 9.00 am. and ends on 28<sup>th</sup> November, 2021 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23<sup>rd</sup> November 2021 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.

(iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(iv) Click on "Shareholders" module.

(v) Now enter your UserID

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.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in the PAN field.</li><li><b>The Sequence no. is mentioned in the email intimation.</b></li></ul>
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. <ul style="list-style-type: none"><li>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 as mentioned in instruction (v).</li></ul>

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) 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.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

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

(xiii) 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.

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

(xv) 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.

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

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

(xviii) 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.

(xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

- i) 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 emailid.
- ii) For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID+CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of AadharCard) to Company/ RTA emailid.
- iii) The company/ RTA shall coordinate with CDSL and provide the login credentials to the above mentioned shareholders.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- i) Shareholder will be provided with a facility to attend the 36<sup>th</sup>AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- ii) Shareholders are encouraged to join the Meeting through Laptops/ IPads for better experience.
- iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv) 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.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE 36<sup>th</sup>AGM ARE AS UNDER:-**

- i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii) Only those shareholders, who are 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 available during theAGM.
- iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- iv) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- v) 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 three days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [ca@spel.com](mailto:ca@spel.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id: [ca@spel.com](mailto:ca@spel.com)). These queries will be replied to by the company suitably by email.
- vi) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, 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 detail 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: [ca@spel.com](mailto:ca@spel.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futrex, 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 1800225533.

#### Other Instructions:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, 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.
2. The result 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 <https://www.evotingindia.com> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

**I. 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. Enakshi Bhattacharya</b>
Date of Birth	Apr 23, 1959
Date of Appointment	August 23, 2021
Qualification	MSc (Physics) from IIT Bombay & PhD from TIFR Mumbai

Expertise in Specific functional areas	She is interested in all forms of silicon: single crystal, poly, amorphous and porous and her current research interests are in Biosensors and MEMS with over 100 published papers in journals and international conference proceedings. She has also been involved in continuous education programme in the fields of Semiconductors, Biosensors, MEMS and Photovoltaics.
Chairmanship /Directorship of other Companies (excluding Foreign companies and Section 25 Companies)	Chip Test Engineering Limited
Committee position held in other Companies	—
Shareholding (No. of Shares)	Nil (in SPEL)

<b>Name of the Director</b>	<b>K. Ravikumar</b>
Date of Birth	June 15, 1949
Date of Appointment	May 26, 2014
Qualification	M. Tech from IIT Madras and Post-Graduation in Business Administration
Expertise in Specific functional areas	Under his leadership, new technologies like supercritical thermal sets in the field of coal, and gas-based power plants were introduced for the first time in the country.
Chairmanship /Directorship of other Companies (excluding Foreign companies and Section 25 Companies)	Director in Reliance Infrastructure Ltd & Jinbhavish Power Generations Pvt Ltd.
Committee position Held in other Companies	—
Shareholding (No. of Shares)	Nil (in SPEL)

**Explanatory Statement in respect of the Special Business pursuant to Section 102 of the Companies Act, 2013**

**Item No. 4**

Dr. Enakshi Bhattacharya was re-appointed as an Independent Director of the Company by the Board of Directors at its Meeting held on 23-08-2021 for a further period of five years from 30th July 2021 to 29th July 2026. A brief profile of Dr. Enakshi Bhattacharya is given herein for the information of Shareholders.

Dr. Enakshi Bhattacharya completed her MSc (Physics) from IIT Bombay in 1980, PhD from TIFR Mumbai in 1985 and did post-doctoral work at the National Renewable Energy Laboratory (then SERI), USA from 1986-88. She was a Faculty Member in the Department of Physics, IIT Kanpur during 1988-91. Since 1991, she has been on the faculty of the Department of Electrical Engineering at IIT Madras, heading the Department from 2010 to 2013 and is currently a professor. She was a Visiting Scientist at the Micromachined Products Division of Analog Devices, USA from 1999 to 2000. She is interested in all forms of silicon: single crystal, poly, amorphous and porous and her current research interests are in Biosensors and MEMS with over 100 published papers in journals and international conference proceedings. She has supervised 4 PhD and 14 MS (by research) theses and is guiding 2 PhD and 2 MS scholars at present. She has successfully handled 14 sponsored projects and is currently engaged in 6 projects being the Principal Investigator for three of them. Major on going projects are the National Programme on MEMS, Smart Materials and

Systems (NPMASS) sponsored Biosensor System for the detection of Triglycerides and the Department of Information Technology (DIT) sponsored Centre for NEMS and Nanophotonics. Besides regular teaching, she has also been involved in continuous education programme in the fields of Semiconductors, Biosensors, MEMS and Photovoltaics.

In the opinion of the Board, Dr.Enakshi Bhattacharya fulfills the conditions specified in the Act and Rules for her appointment as an Independent Director of the Company as she is independent of the management under Section 149(6) of the Act.

Accordingly, under Section 149 & 152(5) read with Schedule VI of the Act, the appointment of Dr.Enakshi Bhattacharya as Independent Director is placed before the Members in the General Meeting for approval.

The Board recommends the election of Dr.Enakshi Bhattacharya as a Director not liable to retire by rotation, for the approval of the Shareholders.

Notice has been received from a Member signifying his intention to propose appointment of Dr.Enakshi Bhattacharya as Director of the Company along with a deposit of ₹1,00,000/-.

Except Dr.Enakshi Bhattacharya, 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. 2.

**August 23, 2021**  
**Chennai.**

**By order of the Board,**  
**For SPEL Semiconductor Limited**  
**D.Balakrishnan**  
**Whole Time Director & CEO**  
**DIN: 02131242**

## Directors' Report

Your Directors present the **36th Annual Report** of the Company together with the Audited Accounts for the year ended Mar 31, 2021. Financial Highlights / Performance/ the Operating results of your Company as per IndAS Financial Statements for the year ended Mar 31, 2021 are given below:

### 1. Financial Highlights/Performance

Rs in lakhs

Particulars	Year ended Mar 31, 2021	Year ended Mar 31, 2020
Sales	1,592.11	3,653.74
Other Income	545.23	179.65
PBIDT	(17.36)	778.22
Finance Cost	116.45	142.61
Depreciation	430.44	498.24
Profit / (Loss) before Exceptional items	(564.25)	137.37
Exceptional items	280.08	2.72
Profit / (Loss) before Tax	(844.33)	134.65
Tax Expense	19.17	29.29
Profit / (Loss) after Taxation	(863.50)	105.36

### Company's performance

During the year under review the overall performance of your Company has shown negative growth rate due to lock down imposed for several months as a result of impact of Covid-19. The turnover of the company has come down by 56.43% as compared to the previous year. Sincere efforts taken by the marketing team together with the sustained marketing strategy evolved by the company yielded sufficient growth with better prospects in the years to come. Your Company had maintained good relationship with all its Customers in US & Europe and has seen good improvement in capturing business from one of the big Customers in the US. It is expected to improve production orders in FY 2021-22. The outlook for FY 2021-22 is good and SPEL has plans to induct new Customers from Europe & US regions.

### 2 Dividend

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

### The Global Semiconductor Industry:

The Semiconductor Industry Association (SIA) today announced global semiconductor industry sales were \$40.0 billion for the month of January 2021, an increase of 13.2% over the January 2020 total of \$35.3 billion and 1.0% more than the December 2020 total of \$39.6 billion. Monthly sales are compiled by the World Semiconductor Trade Statistics (WSTS) organization and represent a three-month moving average. SIA represents 98% of the U.S. semiconductor industry by revenue and nearly two-thirds of non-U.S. chip firms. Global semiconductor sales got off to a strong start in 2021, increasing both year-to-year and month-to-month in January. Global semiconductor production is on the rise to meet increasing demand and ease the ongoing chip shortage affecting the auto sector and others, and annual sales are projected to increase in 2021.

Regionally, year-to-year sales increased across all markets: Asia Pacific/All Other (16.0%), the Americas (15.4%), China (12.4%), Japan (9.6%), and Europe (6.4%). Month-to-month sales increased in China (3.4%), Europe (2.0% percent), and Asia Pacific/All Other (1.5%), but were down in Japan (-1.0%) and the Americas (-3.0%).

## **A. Market Drivers**

Despite the global pandemic and resulting economic downturn, the global semiconductor industry remained resilient with revenue growth of 6.5% to reach the \$440bn mark in 2020. As per the 2021 Global Semiconductor Industry Outlook, the logic and memory chips segments were among the fastest growing with over 10% growth reported from each of these sub-categories in 2020.

A significant growth area for semiconductors over the coming decade is likely to be the Internet of Things (IoT), whereby devices are embedded with sensors and software and connect to each other over the internet.

The potential applications are enormous. Smart factories are a key example, enabling a shop floor to be monitored remotely. Everything from a machine's energy usage to its downtime can be monitored, as can warehouses and inventories, helping to improve efficiency, free up capacity and reduce costs.

Another example is connected homes, allowing lighting and appliances to be controlled from a phone or tablet. IoT devices could also be used to improve security, enabling remote monitoring of any open windows, leaks or smoke. According to Statista, the number of IoT connected devices is forecast to rise from 7.74 billion in 2020 to 25.44 billion in 2030

## **B. Semiconductor Mergers:**

Five big acquisition announcements and more than a dozen smaller deals in 2020 pushed the total value of M&A agreements in the year to an all-time high of \$118.0 billion, surpassing the previous record of \$107.7 billion reached in 2015. The five biggest 2020 M&A agreements—announced in July, September, and October—had a combined value of \$94.0 billion, which represented about 80% of the total for the entire year.

The 2H20 wave of huge acquisition agreements began in July when Analog Devices announced it would buy Maxim Integrated Products for \$21 billion in stock. Analog Devices expects the purchase to be completed by the summer of 2021 and believes the acquisition will boost its market share in analog and mixed-signal ICs for automotive systems (especially in autonomous vehicles), power management, and application-specific IC designs. Before the Maxim purchase was announced, semiconductor acquisition agreements in the first six months of 2020 had a combined value of just \$2.1 billion. The M&A total was only \$352 million in 2Q20, when the initial surge of Covid-19 virus crisis was sinking the entire global economy.

After a handful of other smaller acquisition agreements in July and August of 2020, graphics processor leader Nvidia blew the M&A lid off the coronavirus-plagued year when it announced a \$40 billion megadeal in September to buy processor-design technology supplier ARM in the U.K. from holding company SoftBank in Japan. For more than a decade, ARM has licensed nearly all of the central processor technology used in smartphones, and it is expanding its into many other applications—just like Nvidia—including data center systems, automotive automation, robotics, and acceleration of machine learning and artificial intelligence (AI). The prospects of Nvidia owning ARM, its design cores, instruction sets, and microarchitectures has raised concerns among major SoC processor developing companies, which license the technology—including Qualcomm, Samsung, MediaTek, and Apple. To quell concerns, Nvidia immediately promised to maintain ARM's independence in terms of licensing its intellectual property (IP) to other IC suppliers and systems makers. The acquisition is expected to be completed by March 2022, but must win clearance from regulatory agencies in the U.S., U.K., European Union, South Korea, Japan, and China.

Four weeks after Nvidia announced the largest semiconductor acquisition in history, more large M&A agreements were announced in October 2020. It started with Intel announcing the sale of its NAND flash

memory business and 300mm wafer fab in China to SK Hynix in South Korea for \$9 billion. In the last week of October 2020, Advanced Micro Device announced an agreement to buy programmable logic leader Xilinx for about \$35 billion in stock. This deal is scheduled to be completed by the end of this year. Also at the end of October, Marvell Technology announced it would acquire high-speed interconnect and mixed-signal IC supplier Inphi in Silicon Valley for \$10 billion in stock and cash. The acquisition is expected to close in the second half of 2021.

It is important to note that IC Insights' M&A list covers purchase agreements for semiconductor companies, business units, product lines, chip intellectual property (IP), and wafer fabs, but it excludes acquisitions of software and system-level businesses by IC companies. For instance, the M&A list excludes Intel's \$900 million acquisition of mobile-application software supplier Moovit in Israel in May 2020. Moovit's urban mobility software apps will be used by Intel to increase its capability to automate ground travel and planning with Internet connections, but the Israeli startup is not a semiconductor company. IC Insights' acquisition list also excludes transactions between semiconductor capital equipment suppliers, material producers, chip packaging and testing companies, and design-automation software firms.

As in recent years, semiconductor acquisitions in 2020 were driven by large IC companies looking to sharpen their positions in emerging and high-growth market opportunities, such as embedded machine-learning and AI capabilities, self-driving cars, all-electric vehicles, expansion of data centers for cloud-computing services and proliferation of the sensors and systems connected to Internet of Things. Industry consolidation also continued to play a key role in many of the 2020 acquisition agreements.

The top-five acquisition agreements in 2020 were among the largest of the 51 semiconductor M&A deals made over the past 21 years that were valued at \$1.0 billion or more. Three of the 2020 agreements rank in the top five with No. 1 being Nvidia's \$40 billion bid for ARM, No. 3 being AMD's planned \$35 billion purchase of Xilinx, and No. 5 being Analog Devices' move to buy Maxim for \$21 billion. More than half of the top 51 semiconductor industry acquisition agreements—32 of them—have occurred in the past six years (2015-2020).

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

A global semiconductor shortage and increased demand for microchips are likely to boost the cash flows from operations for foundries and outsource assembly and testing (OSAT) companies in 2021 as per the Fitch Ratings. Foundries like TSMC and Samsung are likely to be the key beneficiaries of the robust 2021 chip demand as they will enjoy strong pricing power. TSMC with its market share of over 50% in the foundry industry is likely to see revenue growth of 10-15% in 2020-25. Additionally, the revenue growth for the OSAT companies is likely to see substantial growth in 2021 as higher chip demand will boost the need for assembly and testing services. The chip shortage could also lead to a cyclical uptrend for larger IDMs and fabless companies like Intel (INTC), Texas Instrument (TXN), Nvidia (NVDA), Advanced Micro Devices (AMD).

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

The Indian semiconductor industry offers high growth potential areas as the industries which source semiconductors as inputs are themselves witnessing high demand. The end-use industries such as mobile devices, telecommunication equipment, information technology, office automation (IT & OA), industrial machinery, automobiles and several other industries have applications for computing in some form or other and thereby necessarily have growing demand for semiconductors. Now with the concept of Internet of Things (IoT) picking up momentum, the next generation of interconnected devices would further increase the demand for intelligent computing, thereby creating sustainable demand for semiconductors.

India has a very fast growing electronics system design manufacturing (ESDM) industry. India also has a strong design base with more than 120 units. According to the Ministry of Electronics and Information Technology (MeitY), nearly 2,000 chips are being designed every year in India and more than 20,000 engineers are working on various aspects of chip design and verification. The government has a strong focus in developing the ESDM ecosystem in India. Several subsidies and other incentives are on offer for setting up

electronics manufacturing units in India.

### **3. Human Resources Development**

Your Company has enthroned the attributes listed below as its core values. The Management will assiduously practice and enthuse its Employees to imbibe these virtues. Towards this end training is imparted every month, every Employee goes throughout the drill at least once in six months :

Business Ethics : defines us as a Company

Professionalism : defines us as Individuals

Citizenship : defines our contribution to Society

SPEL's medium for Corporate Social Responsibility (CSR) is through Socio-Economic Contribution (S-E-C) and SPEL Employees Social Service Organization (SESSO). For most people, the idea of Social Service is donating money to a social organization - perhaps an old-age home or an orphanage or similar. This however is the easy part. The difficult part is volunteering one's time to improve society.

When can we make a contribution to Society?

During Phase 1 of our lifetime, perhaps up to the age of 35, we are so focused on building our careers, starting our families & establishing a name for ourselves

During Phase 2 perhaps from age of 35 thru 65, we are the most active in our work, working as a team, being able to significantly contribute to Economic Development

During Phase 3 perhaps from age 65 onwards, we are most able to contribute our time on an increased basis to social causes S-E-C at SPEL is all about how we can contribute socially during Phase 2 itself while also handling Economic Development. Towards this, there are 3 areas that each of us can assist by making these a part of our day to day approach:

1. Following discipline in any and everything we do
2. Providing a helping hand to people around us in any way we possibly can
3. Showing the right path forward to people around us

S-E-C in SPEL is primarily done by One-to-One Mentoring as each person encourages & motivates the other, towards a more purposeful & effective lifestyle.

As part of the core values, following activities were undertaken through SESSO :

- i) Educational assistance to the needy people in and around Factory.
- ii) Voluntary Blood Donation camp.
- iii) Assistance to orphanage and old age home located near Factory.

**4.** 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

**5.** 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

**6.** 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.

#### **7. Subsidiary/Joint Ventures/Associate Companies**

Your Company had incorporated a Wholly Owned Subsidiary Company during FY 2017-18, in the name and style of SPEL Semiconductor Packaging Limited. This Company is yet to commence production. It is envisaged to commence production after getting due statutory approvals from the authorities.

#### **8. 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.

#### **9. Statutory Auditors**

Mr.K.Nadhiswaran, CharteredAccountant, has expressed his consent for the re-appointment as Statutory Auditor for the Financial Year 2021-22 and has confirmed that the appointment, if made, will be in accordance with the limits specified under Section 139 of the Companies Act2013.

#### **10. Share Capital**

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

#### **11. Extract of the Annual Return**

Pursuant to the provisions of Section 92 (3) and 134 (3) (a) of the Companies Act, 2013, extract of the Annual Return (Form MGT-9) for the year ended March 31, 2021 will be placed on the website of the Company at <http://www.natronix.net/forms.html>.

#### **12. 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	52,246 Units
Savings in Water consumption	3,510 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:\$3.00 Lakhs

Foreign Exchange earned during the year :\$5.32 Lakhs

## **13. 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.

## **14. Directors and Key Managerial Personnel**

Mr.K.Ravikumar, is retiring by rotation, being eligible, offers himself for re-appointment.

## **15. Number of meetings of the Board**

Four Meetings of the Board were held during the year. For details of the meetings of the board, please refer to the Corporate Governance Report, which forms part of this report.

## **16. Audit Committee**

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

## **17. 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. A copy of the policy is uploaded in the website of the Company.

## **18. 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

## **19. Loans, guarantees or investments**

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

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

The particulars of every contract or 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 transactions under third proviso thereto have been disclosed in Form No. AOC -2.

## **21. Managerial Remuneration**

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

## **22. Secretarial Audit Report**

Secretarial Audit Report is given as annexure, which forms part of this report.

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

The Board of Directors has carried out an annual evaluation of its own performance, Committees of the Board and the individual directors pursuant to the provisions of the Act and Corporate Governance as prescribed under Regulation 17 (10) of SEBI (LODR) Regulation 2015. In a separate meeting of the independent directors, performance of the Non-Independent Director and performance of the Board as a whole was evaluated.

## **24. Familiarization Programme for Independent Directors**

The Company has prepared and presented a power point presentation for Independent Directors in order to enable them to familiarize with the Company's policies and practices.

## **25. Risk management**

A Risk Management Committee to identify and monitor the risks has been formed with a responsibility to review the risks and evolve mitigation plan required. Periodical action is taken to address the major risks identified.

## **26. Corporate Governance Certificate**

The Corporate Governance Certificate from the Auditors regarding compliance of conditions of Corporate Governance as stipulated in Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with this report.

## **27. 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 2020-21.

#### **Acknowledgements**

Your Directors place on record their gratitude especially to the Promoters, who had assisted significantly towards the recovery bath. 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.

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

**N. Suryanarayanan  
Director**

**DIN 02282919**

**D. Balakrishnan  
Whole Time Director & CEO**

**DIN: 02131242**

**S. Chandramohan  
Director**

**DIN 00052571**

**23<sup>rd</sup> August 2021  
Chennai**

**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: Nil

**23<sup>rd</sup> August, 2021**

**Chennai**

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

**D. Balakrishnan**

**Whole Time Director & CEO**

**DIN:02131242**

L.	Particulars	Explanation median Remuneration.	Ratio
1.	The ratio of remuneration of each director to the median remuneration of the employee of the Company of the financial year	Mr.D. Balakrishnan, Director & CEO	1.65
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	NIL	
3.	The percentage increase in the median remuneration of employees in the financial year.	Nil	
4.	The number of permanent employee on the rolls of the company.	161 Employees	
5.	The explanation on the relationship between average increase in remuneration and company performance	Increase in the remuneration of employees is in line with industry standards	
6.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.	The remuneration of the KMP's are in the line with the remuneration policy of the company where there remuneration is determined based on their performance which is correlated to the performance of the Company.	

7.	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 Mar31, 2021 %ge Market capitalization Rs69,86,79,261/-+66% Price Earnings Ratio -8.10 -159.12%
8.	Average percentile increase 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.
9.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Comparison of the remuneration of the key managerial personnel against the performance of the company aggregate remuneration of key managerial personnel (KMP) in 2021.  Revenue in (Lakhs) 2137.34  Remuneration of KMPs (as % of revenue) 1.35% Profit before tax (PBT) (Lakhs) (844.33) Remuneration of KMPs (as % of PBT) 3.42
	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.
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## **Management Discussion and Analysis Report:**

The management of your company is pleased to submit the following:

### **The Global Semiconductor Industry:**

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Regionally, year-to-year sales increased across all markets: Asia Pacific/All Other (16.0%), the Americas (15.4%), China (12.4%), Japan (9.6%), and Europe (6.4%). Month-to-month sales increased in China (3.4%), Europe (2.0% percent), and Asia Pacific/All Other (1.5%), but were down in Japan (-1.0%) and the Americas (-3.0%).

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Despite the global pandemic and resulting economic downturn, the global semiconductor industry remained resilient with revenue growth of 6.5% to reach the \$440bn mark in 2020. As per the 2021 Global Semiconductor Industry Outlook, the logic and memory chips segments were among the fastest growing with over 10% growth reported from each of these sub-categories in 2020.

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### **F. Semiconductor Mergers:**

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### **SPEL Positioning**

a. The first quarter of 2021-22 got off to a strong start in , Global semiconductor production is on the rise to meet increasing demand and ease the ongoing chip shortage affecting the auto sector and others, and hence the annual sales are projected to increase in 2021-22. Longer lead-time with regard to the raw materials is a concern, as most of the supply chain is based in SEA countries which are facing intermittent lockdowns due to COVID.

b. SPEL maintains its relationship with all Customers in good form and putting efforts to meet their QCDS factors. SPEL extends various Value-Added Services like package design , Test HW development & drop shipment to all its Customers which help to attract additional volumes.

c. The communication frequency with Customers & Sales Representatives increased and SPEL uses all electronic media (eMails, Conference calls, Skype calls, Whatsapp calls, MS teams, Google Meet etc.) to interact with Customers

d. Contribution of Sales Representatives is also ensured to bring in new business & to reach Customers in case of any delay in shipments and unable to meet their requirements. They are advised to bring in new Customers & new products. Weekly calls with them is being done to ensure their activities are up to the expectations

e. SPEL reaches its Suppliers, Vendors and Customers to refer any new Customers if they have come across and this has provided positive results. Few new Customer inducted through this methodology

f. Global demand for semiconductors will remain high in the coming quarters, as reflected by rising sales across a range of chip products and throughout each of the world's major regional markets. The global chip market is projected to grow substantially in 2021 and 2022 as semiconductors become increasingly integral to the game-changing technologies of today and the future . This will have a positive effect on SPEL's business.

g. Sales representatives are also advised to increase the frequency with the Customers whom they are dealing.

h. New RFQs received from various Customers in this Quarter including new Customers. Quotations have been submitted and few of them converted into business and working on other RFQs to get business

i. Focus for FYQ2 would be in the following areas :

i. Adding new Customers – Planning to add new Customers both in Europe & US regions. Three new Customers identified and SPEL is closely working with them in Europe

ii. Maintaining Inventory – In the past, delayed material delivery was one of the concerns for having lower volumes. SPEL ensures to have adequate inventory to address Customers FC in this quarter

**23<sup>rd</sup> August, 2021**

**Chennai**

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

**D. Balakrishnan**

**Whole Time Director & CEO**

**DIN:02131242**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members

SPEL Semiconductor Limited

5CMDA, Industrial Estate, MM Nagar (Chennai)

PIN-603209

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and adherence to good corporate practices by SPEL Semiconductor Limited an Integrated Circuits Assembly & Test Company. The Company has CIN L32201TN1984PLC011434 with Authorized capital of Rs.60,00,00,000 and paid up capital of Rs.46,13,25,280. The Company is listed with the Bombay Stock Exchange Limited possessing ISIN number NSDL&CDSL: NE253AD101119. SPEL is certified for ISO 9001:2000; ISO14000:2004&TS16948:2002

Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of SPEL Semiconductor Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the company has, during the audit period covering its financial year ended on 31st March, 2021 complied with the statutory provisions listed here under and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulations) Act, 1956 ("SCRA") and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment
- (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009. - **Not Applicable as the company has not issued any further capital under the regulations during the period under review**

- d) The Securities and Exchange Board of India (Employees stock option Scheme and Employees Stock Purchase Scheme Guidelines, 1999; - **Not Applicable as the Company has not issued any stock option scheme during the financial year under review.**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) regulations 2008; - **Not Applicable as the company has not issued and listed any debt Securities during the financial year under review.**

f) 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;

g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009; and - **Not Applicable as the Company has not delisted /proposed to delist its equity shares from any Stock Exchange during the financial year under review.**

h) The Securities and Exchange Board of India (buyback of Securities) Regulations, 1998; - **Not applicable as the Company has not bought back any of its securities during the financial year under review.**

(vi) Any other Applicable Laws like

- a) The Factories Act 1948
- b) The Industrial Dispute Act 1947
- c) The Payment of wages Act 1936
- d) The Minimum Wages Act 1948
- e) The Employees State Insurance Act, 1948
- f) The Employees' Provident Fund and Miscellaneous Provision Act, 1952
- g) The payment of bonus Act, 1965
- h) The Payment of Gratuity Act, 1972
- i) The Contract Labour Abolition Act 1970
- j) The Maternity Benefit Act 1961
- k) The Child Labour (prohibition and regulation Act 1986
- l) The Industrial Employment ( Standing Orders ) Act 1946
- m) The Employees' Compensation Act 1923( earlier known as Workman's Compensation Act 1923)
- n) The Apprentice Act, 1961
- o) The Equal Remuneration Act, 1976
- p) The Employment Exchange (Compulsory Notification of Vacancies Act) 1956

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above except to the extent mentioned below:

**1. The Company has engaged contract employees but the copy of Registration Certificate and the amendment of the same were not available as per The Contract Labour (Regulation & Abolition) Act - 1970 and Rules 1975.**

## **2. Maintenance of Registers**

- i) **The Various Registers which has to be maintained under various acts such as,**
- ii) **The Payment of Wages Act – 1936 and Tamil Nadu Rule 1937,**
- iii) **The Minimum Wages Act – 1948 and Tamil Nadu Rule 1953,**
- iv) **The Tamil Nadu Labour Welfare Fund Act – 1972 and Rules – 1973**
- v) **The Payment of Bonus Act 1965 and Rules 1975 has not been maintained.**

**3. Monthly Contribution remittance under the acts, The Employees Provident Funds and Miscellaneous Provisions Act – 1952 and The Employees State Insurance Act – 1948 has not been remitted before due dates.**

**4. Various abstract and notices which has to be displayed under several acts such as**

- *The Industrial Employment (Standing Orders) Act – 1946 and Tamil Nadu rules 1953*
- *The Maternity Benefit Act – 1961 and rules – 1963*
- *The Employee Compensation Act - 1923 and Tamil Nadu Workmen Compensation Rules, 1934. -has not been displayed*

**5. The various Notices like: Notice of opening, Notice of Change and Notice of Payment of Gratuity are not available as per The Payment of Gratuity Act 1972 & Payment of Gratuity (Tamil Nadu) Rules, 1972.**

**6. An application under Insolvency and Bankruptcy code was filed by the employees against the company before the NCLT Chennai bench on 04.12.2020 was still pending.**

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with regard to Meeting Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI);

(ii) The Listing agreements entered into by the company with BSE

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above except to the extent mentioned below:

**Under The Companies Act 2013**

1. *E- Form AOC – 4 for the year ended 31.03.2020 was not yet filed by the company whereas the due date for filing was 30.01.2021*
2. *According to information received and examination of records of the company the Post of Company Secretary has been vacant for the period upto 31<sup>st</sup> March 2021.*
3. *E- Form DPT -3 for the year ended 31.03.2020 was not yet filed by the company.*

**Under SEBI( LODR) 2015:**

**(1)** The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

**1. Regulation 29(1)(a) – Board Meeting**

Board Meeting for approval of Unaudited Financial Results for the Second Quarter ended on Sep 30, 2020.

***Board Meeting for the second quarter was held on 06.01.2021 after due date viz., 15.11.2020.***

**2. Regulation 29(1)(a) – Board Meeting**

Board Meeting for approval of Unaudited Financial Results for the Third Quarter ended on Dec 31, 2020.

***Board Meeting for the Third Quarter was held on 22.02.2021 after due date viz., 15.02.2021.***

**3. Regulation 6(1) – appointment of qualified Company Secretary as Compliance Officer**

Appointment of Company Secretary and Compliance Officer

***The Company has not appointment a qualified Company Secretary and Compliance Officer for the Financial Year 2020-21***

**4. Regulation 33**

Delayed submission of the financial results within the period prescribed under this regulation

## 5. Regulation 13(3)

Delayed of the statement on shareholder complaints within the period prescribed under this regulation or under any circular issued in respect of redressal of investor grievances

## 6. Regulation 27(2)

Delayed submission of the Corporate governance compliance report within the period provided under this regulation

## 7. Regulation 31

Delayed submission of shareholding pattern.

I further report that: -

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director.
- Adequate notice is given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent generally seven days in advance.
- A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the Board and Committees were carried with requisite majority.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), I am of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

As informed, the Company has responded appropriately to notices received from various statutory /regulatory authorities including initiating actions for corrective measures, wherever found necessary

I further report that according to information received and examination of the records in respect of statutory dues it is observed that the company **is not regular in depositing** undisputed provident fund, employee state insurance, GST, service tax and income tax (TDS) and property dues, during the year. The statutory dues **were not remitted within the due dates** mentioned under their respective due dates.

The other laws as may be applicable specifically to the company which are mentioned in clause (vi) under any other laws; I hereby report that it is based on the reports of the heads of the department of the factories and the compliance reports made by the occupier of the factories submitted to the Board of Directors of the Company.

I report that the company has substantially complied with the provisions of those acts that are applicable to the companies having factories which manufacture Integrated Circuits based on the information, explanations and management representation.

The company has substantially complied with the tax laws applicable to the company except to the extent mentioned above.

I further report that

Subject to my observations the Board of Directors of the Company in general is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

I further report that during the audit period the instances of violations and non compliances mentioned above may result in attracting penal provisions which are severe in nature and for the company there is a contingency that it may have to pay penalties.

Place: Chennai  
Date: 23.08.2021

Signature:

T.Balasubramanian  
FCS: 7987  
CP No: 3402

This report is to be read with our letter of even date which is annexed as Annexure A and Annexure B which forms an integral part of this report

The members  
SPEL Semiconductor Limited  
5CMDA, Industrial Estate,  
MM Nagar (Chennai)  
PIN-603209

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure the correct facts as reflected in secretarial records. I believe that the processes and practices, I followed to provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chennai  
Date: 23.08.2021

Signature:  
T. Balasubramanian  
FCS: 7987  
CP No: 3402

## 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 and elevate the interest of its Stakeholders 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. The results of good Corporate Governance practices are reflected in confidence reposed by various Stakeholders.

### 2. Board of Directors

Composition: The present strength of the Board as on the date of this report is 4 Directors. The Board comprises a combination of Executive and Non-executive Directors.

Composition of Board of Directors, their other Directorships and Committeeships 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 Chair-person*	No. of other Board Committee(s) in which he/she is a Member or chairperson**	Attendance at last AGM (Yes / No)
		Held during the year	Attended during the year			
Mr. K. Ravikumar Director	Non-Executive Independent	4	4	3	6	Yes
Mr. N. Suryanarayanan Director	Non-Executive Independent	4	4	-	-	Yes
Dr. Enakshi Bhattacharya Director	Non-Executive Independent	4	4	1	-	Yes
Mr. S. Chandramohan Director	Non-Executive Independent	4	4	-	-	Yes
Mr. D. Balakrishnan Whole Time Director & CEO	Executive	4	4	1	-	Yes

\* 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 only.

During the year ended Mar 31, 2021 Four (4) Board Meetings were held on August 31, 2020, December 12, 2020, January 6, 2021, and Feb 22, 2021.

## 1. Composition of various Board Committees

Name of the Committee	Name of Directors	Category
Audit Committee	Mr. N. Suryanarayanan Mr. S. Chandramohan Dr. Enakshi Bhattacharya	Chairman Member Member
Stakeholders Relationship Committee	Dr. Enakshi Bhattacharya Mr. D. Balakrishnan N. Suryanarayanan	Chairman Member Member
Nomination and Remuneration Committee	Mr. S. Chandramohan Mr. N. Suryanarayanan Dr. Enakshi Bhattacharya	Chairman Member Member

## 2. Board and Committee functioning

### a. 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.
- 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.
- The Board takes on record the Compliance confirmation from the Company Secretary at each meeting which contains the compliance status of all the applicable legislation to the Company. These are also reviewed by the Management at each of its meetings.

### b. Audit Committee

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

- Financial statements before submission to the Board
  - Draft financial statements and Auditors' Report before submission to the Board
  - Accounting Policies and Practices
  - Risk Management Policies and Practices
  - Compliance with Stock Exchange and legal requirements concerning financial statements
  - Related Party Transactions
  - Recommendation of appointment of Auditors and fixing their fees
  - To review the Internal Control Systems and Internal Audit Reports and their compliance thereof
- Four Audit Committee Meetings were held on August 31, 2020, December 12, 2020, January 6, 2021, and Feb 22, 2021.

Names of the Directors	No. of Audit Committee Meetings attended
Mr. N. Suryanarayanan	4
Dr. Enakshi Bhattacharya	4
Mr. S. Chandramohan	4

**a. 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).

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

Remuneration paid during the year 2020-21					
S.No.	Names of Directors	Salary / Special allowance / Perquisites	Commission / Bonus / Incentive	Sitting fees	Total
1.	Mr. K. Ravikumar	NA	NA	24,000/-	24,000/-
2.	Dr. Enakshi Bhattacharya	NA	NA	45,000/-	45,000/-
3.	Mr. N. Surya Narayanan	NA	NA	44,000/-	44,000/-
4.	Mr. S. Chandra Mohan	NA	NA	43,000/-	43,000/-
5.	Mr. D. Balakrishnan	22,47,567--	NA	NA	22,47,567/-

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.

**Remuneration Policy**

The following is the remuneration policy of Directors :

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

**a) 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.

**b) 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 it is not able to comply with such provisions, with the previous approval of the Central Government.

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

**i. Remuneration /Commission**

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

**ii. SittingFees**

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.

**b. Stakeholders Relationship Committee**

The Stakeholders Relationship Committee comprises a majority of Independent Non-Executive Directors.

a Dr. Enakshi Bhattacharya is the Chairperson of the Committee.

b The Table below shows the nature of complaints received from Shareholders during 2020-21:-

S.No.	Nature of Complaint	of Complaints Received	Attended	Pending
1.	Non-Receipt of share certificates after transfer & others	-	-	-

a Disclosure on the delegated authority constituted for attending share transfer work

SL. No.	Description of delegated authority	Full address of delegated authority	Telephone No.(s)	Fax No.(s)	E-mail	Average intervals at which Share transfers approved
1.	Company Secretary & Compliance Officer	5CMDA Industrial Estate, MM Nagar (Chennai) 603209.	(044) 47405490	(044) 47405303	investors@spel.com	15 Days
2.	Cameo Corporate Services Limited	"Subramanian Building" 1 Club House Road, Chennai 600002	(044) 28460390	(044) 28460129	investor@cameoindia.com	

c Four Stakeholders Relationship Committee Meetings were held on August 31, 2020, February 26, 2021, March 12, 2021 & March 26, 2021

Names of the Directors	No. of Stakeholders Relationship Committee Meetings attended
Mr. N. Suryanarayanan	3

Dr. Enakshi Bhattacharya	3
Mr. D. Balakrishnan	4

### 3. 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.	2017 - 2018	5 CMDA Industrial Estate, Maraimalai Nagar 603 209	Sep 27, 2018 3.30 pm
2.	2018 - 2019	5 CMDA Industrial Estate, Maraimalai Nagar 603 209	Sep 28, 2019 3.30 pm
3.	2019-20	5 CMDA Industrial Estate, Maraimalai Nagar 603 209	Dece 31 2020, 12 Noon

#### Special Resolutions passed in the previous 3 AGMs :

- 33rdAGM : Nil
- 34<sup>th</sup> AGM : Nil
- 35<sup>th</sup> AGM : Nil

Postal Ballot: The Company has not made use of the Postal Ballot during the year

### 4. Disclosures

- NotransactionofmaterialnaturehasbeenenteredintobytheCompanywithrelatedpartiesi.e.Directorson Management,theirsubsidiariesorrelativesthatmayhavepotentialconflictwiththeinterestsoftheCompany atlarge.
- The Board duly authorized all transactions with the Companies in which the Promoters or Directors or the Management,theirsubsidiariesortheirrelativesaredeemedtobeinterested.
- Therewerenoinstancesofnon-compliancebytheCompany,onanymatterrelatedtocapitalmarketsduring the last three years. Further, there has been no penalty, and stricture imposed on the Company by Stock ExchangesorSEBIoranystatutoryauthoritiesagainsttheCompany.
- The Company has a Whistle Blower policy, wherein the Employees enjoy access to report of the Audit Committee
- All the mandatory requirements have been complied by the Company and also adopted some of the non-mandatory requirements of this clause.

### 5. Means of Communications

FinancialresultsoftheCompanyarepublishedinTrinityMirrorandMakkalkural.The resultsarealsodisplayed in URL, namely [www.spel.com](http://www.spel.com). The Company does not display official news releases. Company has not made presentationstoInstitutionalInvestorsortotheAnalysts.

### 6. General ShareholderInformation

1. Annual General Meeting  
(asindicatedinthenotice)

: 29<sup>th</sup> November, 2021 at Registered Office of the

Company

- 2 Financial year : 2020-2021  
 3 Dates of Book Closure : 23<sup>rd</sup> November, 2021 to 29<sup>th</sup> November, 2021  
 4 Listed on Stock Exchange : BSE Limited (BSE)

Stock Code: Demat - 517166, Physical - 17166

- 5 ISIN Number NSDL & CDSL : INE252A01019

- 6 Outstanding GDR/ADR/Warrants

Or any convertible instruments: No

- 7 Registrar & Share Transfer Agent : Cameo Corporate Services Limited

- 8 Address for Communication : a. Company Secretary

SPEL Semiconductor Limited 5 CMDA

Industrial Estate MM Nagar (Chennai)

603 209 India.

- b. Cameo Corporate Services Limited

Subramanian Building, 1 Club House Road

Chennai 600002

- 9 Share Transfer System : All transfer requests received are processed

and Approved by an Authorized Signatory.

Normally transfers are processed and

approved twice a month.

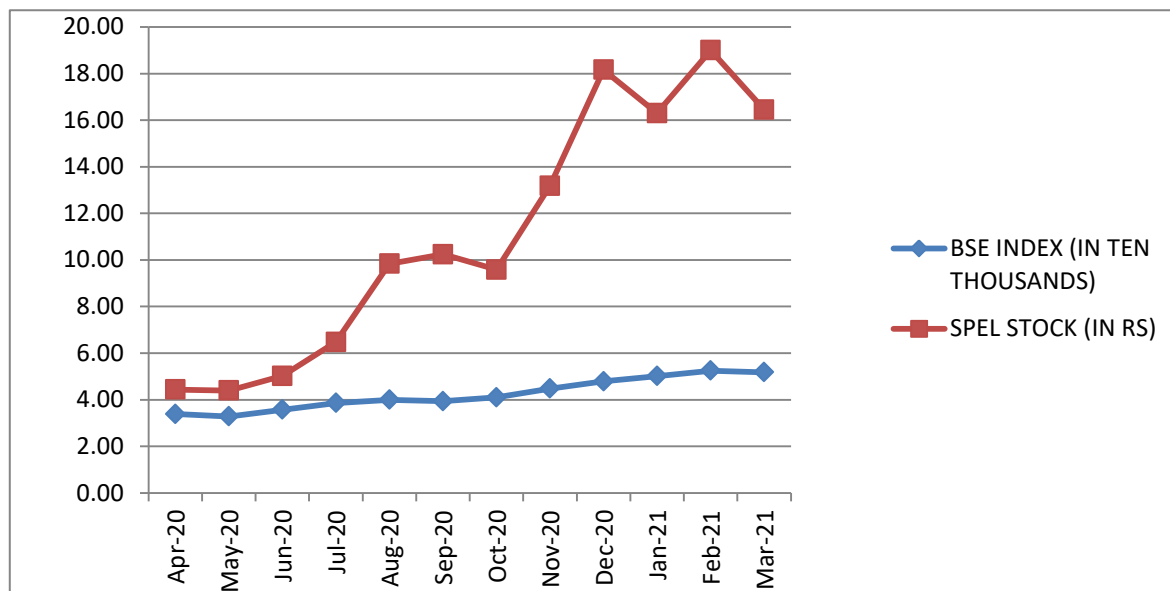
- 10 Factory Location : CMDA Industrial Estate, MM Nagar

(Chennai), 603 209 India.

**9. Distribution of Shareholding as on Mar 31, 2021**

Category	No. of Folios	No. of Shares	%
Promoter & Promoter Group	5	27288780	59.17
Overseas Corporate Bodies	1	9000	0.02
Mutual Funds	2	8600	0.02
Nationalized Banks	2	1600	0
Non-Resident Indians	188	349165	0.76
Domestic Companies	220	1182759	2.56
Resident Individuals	26772	16082128	34.87
Hindu Undivided Families	446	1053409	2.28
Trusts	4	3938	0.01
Employees	11	8305	0.02
Clearing Members	33	129759	0.28
<b>Total</b>	<b>27684</b>	<b>46117443</b>	<b>100.00</b>

### Stock Performance V/s BSE Sensex



### 10. MarketPriceDataHigh&Low,Tradingvolumeandno.oftradesduringeachmonthforFY2020-21

Month	High	Low	No of shares in Lakhs	No of Trades
Apr-20	4.44	2.90	0.92	290
May-20	4.40	3.37	2.69	258
Jun-20	5.02	3.65	3.63	579
Jul-20	6.48	4.75	2.68	698
Aug-20	9.84	4.68	7.05	1283
Sep-20	10.24	8.75	4.63	987
Oct-20	9.58	7.73	2.40	516
Nov-20	13.18	8.74	6.82	1291
Dec-20	18.16	13.11	16.60	3664
Jan-21	16.30	11.25	5.53	1797
Feb-21	19.00	11.40	16.50	2894
Mar-21	16.45	13.08	10.20	2671

### 11. AccountingStandards

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

### 12. CEO Certification

A Certificate of the CEO of the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, inter alia, confirming the correctness of the financial statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

### 13. Non-Mandatory Requirements

a The company has appointed a third party Firm as the Internal Auditors.

b Nomination and Remuneration Committee: The Company has a Nomination and Remuneration Committee detailed in this report.

c Whistle Blower Policy: The Company has a mechanism for Employees to report to the Management

concerns about unethical behaviour, actual or suspected fraud or violations of the Company's Code of

Conductor Ethics Policy and the existence of said mechanism was appropriately communicated within the organization.

**Chief Executive Officer's Declaration on Code of Conduct**

(As per Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of SPEL Semiconductor Limited

This is to certify that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the period ended Mar 31, 2021

**Date : August 23, 2021**

**For SPEL Semiconductor Limited**

**Place: Chennai**

**D. Balakrishnan**

**Chief Executive Officer**

R

**Chief Executive Officer/Chief Financial Officer Certification**

CEO Certification Pursuant to 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-603209

I, D. Balakrishnan, Director & Chief Executive Officer and G. Venkatesan, Chief Financial Officer of the Company do solemnly certify that:

a. We have reviewed the financial statements for the year and that to the best of my knowledge and belief that:

i. These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations

b. 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 except non-payment of the following:

i. Income-tax Deducted at Source (Part payment made for FY 2019-20)

ii. Gratuity

iii. Service Tax

iv. GST

c. 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.

d. We have indicated to the Auditors and the Audit Committee:

i. Significant changes in internal control during the year

ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and

iii. 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

**Date : August, 23 2021**

**Place : Chennai**

**G. Venkatesan D. Balakrishnan**

**Chief Financial Officer Whole Time Director & CEO**

**TO THE MEMBERS OF SPEL SEMICONDUCTOR LIMITED**

1. The Corporate Governance Report prepared by SPEL SEMICONDUCTOR LIMITED ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2021. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

**Management's Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

4. My responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulation.

5. I conducted my examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. I have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtaining necessary representations and declarations from directors including independent directors of the Company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

**Opinion**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to me, I am of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 1 above.

**Other Matters and Restriction on use**

10. This Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This Report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. I have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

**K. Nandhiswaran FCA , FCS**

Chartered Accountant Membership No.207644

UDIN:21207644AAAAMK9319

August 23, 2021  
Chennai

## **Independent Auditor's Report on the Abridged Financial Statements**

### **To The Members of SPEL SEMICONDUCTOR LIMITED**

The accompanying Abridged Financial Statements of **SPEL SEMICONDUCTOR LIMITED** ('the Company'), which comprise the Abridged Balance Sheet as at 31 March 2021, the Abridged Statement of Profit and Loss (including Other Comprehensive Income), the Abridged Statement of Cash Flows and the Abridged Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and related notes, are derived from the audited financial statements of the Company for the year ended 31 March 2021. I expressed an unmodified audit opinion on those financial statements vide. my report dated Aug 23,2021.

The Abridged financial statements do not contain all the disclosures required by the Indian Accounting Standards(Ind AS) referred to in Section 133 of the Companies Act, 2013 ("the Act") and accounting principles generally accepted in India, applied in the preparation of the audited financial statements of the Company. Reading the Abridged Financial Statements, therefore, is not a substitute for reading the audited financial statements of the Company.

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

The Company's Board of Directors is responsible for the preparation of summary of the audited financial statements in accordance with first proviso to Section 136(1) read with Rule 10 of Companies (Accounts) Rules, 2014 (as amended) and are based on the audited financial statements for the year ended 31 March 2021, prepared in accordance with Indian Accounting Standards referred to in Section 133 of the Act, and accounting principles generally accepted in India

### **Auditor's Responsibility**

My responsibility is to express an opinion on the Abridged financial statements based on my procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

### **Opinion**

In my opinion, the Abridged Financial Statements, prepared in accordance with first proviso to section 136(1) of the act read with Rule 10 of the Companies (Accounts) Rules, 2014(as amended) are derived from the audited financial statements of the Company for the year ended 31 March 2021 are a fair summary of those financial statements.

### **Material Uncertainty Related to Going Concern**

I draw your attention to Note 12 to the Abridged Financial Statements of the Company. The Company has incurred losses and generated negative cash flows during the year and also in the earlier years which indicate existence of material uncertainty in the Company's ability to continue as a going concern for a reasonable period of time. In order to continue the Company is apparently dependent on the infused of sufficient funds and restructuring of operations. Based on the funds infused and business plans of the management, the Company is reasonably expected to carry on the operations as a going concern. On this basis the Company has prepared the financial statements on going concern basis. My opinion is not modified in respect of this matter.

### **Emphasis of Matter**

I draw attention to Note 11 to the Abridged Financial Statements relating to amounts written off/written back for the ended March 31, 2021 which were approved by a resolution passed by the Board of Directors.

I also draw your attention to Note 13 to the Abridged Financial Statements which explains the uncertainties and the management's assessment of the potential impact due to lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation and consequently the Company's results are highly dependent upon future developments, which are highly uncertain.

My opinion is not modified in respect of these matters.

**K.Nandhiswaran,F.C.A.,F.C.S.,**  
Chartered Accountant  
Membership No. 207644  
UDIN: 2i20744AAAALP6056

August 23, 2021  
Chennai

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SPEL SEMICONDUCTOR LIMITED**

#### **Report on the audit of the Financial Statements**

##### **Opinion**

I have audited the accompanying Financial Statements of **SPEL SEMICONDUCTOR LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### **Basis for Opinion**

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section in my report. I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and I am fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my opinion.

##### **Material Uncertainty Related to Going Concern**

I draw your attention to Note 3.15 of the Financial Statements of the Company. The Company has incurred losses and generated negative cash flows during the year and also in the earlier years which indicate existence of material uncertainty in the Company's ability to continue as a going concern for a reasonable period of time. In order to continue the Company is apparently dependent on the infused of sufficient funds and restructuring of operations. Based on the funds infused and business plans of the management, the Company is reasonably expected to carry on the operations as a going concern. On this basis the Company has prepared the financial statements on going concern basis. My opinion is not modified in respect of this matter.

##### **Emphasis of Matter**

I draw your attention to Note 3.14 of the Financial Statements relating to amounts written off and written back for the year ended March 31, 2021 which were approved by a resolution passed by the Board of Directors.

I also draw your attention to Note 3.16 of the financial statements which explains the uncertainties and the management's assessment of the potential impact due to lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation and consequently the Company's results are highly dependent upon future developments, which are highly uncertain.

My opinion is not modified in respect of these matters.

##### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significant in my audit of the financial statements of the current period. These matters were addressed in the context of my audit

of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key Audit Matter Description	Response to Key Audit Matter
<p><b>A. Revenue Recognition</b></p> <p>Reference may be made to Note 1B.2 of significant accounting policies and Note 2.1 and 3.5 to the financial statements of the Company.</p> <p>Revenue recognition is inherently an area of audit risk, which I have substantially focused on mainly covering the aspects of cut off.</p> <p>Considering the above impact of Ind AS 115 and cut off are considered as key audit matters.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Audit procedures relating to revenue comprised of test of controls and substantive procedures including the following:</p> <p>a. Performed procedures to assess the design of internal controls established by the management and tested the operating effectiveness of relevant controls related to the recognition of revenue.</p> <p>c. Selected a sample of sale orders, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</p> <p>d. Tested, on a sample basis, whether specific revenue transactions around the reporting date has been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation, including goods delivery notes, customer acknowledgement/proof of acceptance and the terms of sale.</p> <p>e. Also validated subsequent credit notes and sales returns up to the date of this Report to ensure the appropriateness and accuracy of the revenue recognition.</p> <p>f. Tested journal entries on a sample basis to identify any unusual or irregular items.</p> <p>g. Also considered the adequacy of the disclosures in Company's financial statements in relation to Ind AS 115 and were satisfied they meet the disclosure requirements.</p> <p><b><u>Conclusion</u></b></p> <p>Based on the procedures performed above, no material exceptions were found with regards to timing of revenue recognition and disclosure requirement as per Ind AS 115 in the financial statements</p>
<p><b>B. Inventory valuation</b></p> <p>Reference may be made to Note 1B.11 of significant accounting policies and Note 1.4 to the financial statements of the Company.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Audit procedures comprised of the following:</p> <p>a. Verified the maintenance of Stock Records with respect to Raw materials, consumables and Finished Goods. The inventory was verified physically by management during the year and no</p>

<p>the valuation of raw material, stores and consumable items held for production have been an area of our focus in view of low operating margins.</p> <p>valuation of Inventory in accordance with Ind AS 2 has thus been considered as a key audit matter.</p>	<p>material discrepancies were found that needed to be dealt with in the books of accounts.</p> <p>b. Selected a sample of items of Raw materials, stores and consumable items held for production to check whether the rate per unit adopted for valuation is reflective of the last purchase .</p> <p><b><u>Conclusion</u></b> Based on the procedures performed above, it was concluded that management has complied with the requirements of Ind AS 2 “Inventories”.</p>
<p><b>c. Actuarial valuation</b></p> <p>Reference may be made to Note 1B.5 of significant accounting policies and Note 3.2 to the financial statements of the Company.</p> <p>There is a risk of material misstatement relating to the judgments made in valuing the defined benefit obligation including the use of key assumptions specifically the discount rate, life expectancy and inflation level. These variables can have a material impact in calculating the quantum of the retirement benefit liability.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Audit procedures comprised of the following:</p> <p>a. Determined whether the key assumptions adopted in the actuarial reports are reasonable.</p> <p>b. Assessed the competence, capabilities and objectivity of the expert, gained an understanding of their work and the suitability of the results as audit evidence for the relevant assertions.</p> <p>c. Examined the data made available to the experts for completeness and accuracy and gained an understanding of the process to determine the calculation and inputs used.</p> <p><b><u>Conclusion</u></b> Based on the procedures performed above, no material exceptions were found with regards to the use of assumptions and actuarial valuation</p>
<p><b>D. Impairment in Trade Receivables</b></p> <p>Reference may be made to Note 1B.5 and 1B.13 of significant accounting policies and Note 1.5 and Note 3.4 to the financial statements of the Company</p> <p>The Company is exposed to potential risk of financial loss when there is the risk of default on receivables from the customers for which the Management would make specific provision against individual balances with reference to the recoverable amount.</p> <p>For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realization of these receivables, are required for the identification of impairment events and the determination of the impairment charge.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Performed the following procedures in relation to the recoverability of trade receivable</p> <p>a. Tested the accuracy of aging of trade receivables at year end on a sample basis</p> <p>b. Obtained a list of outstanding receivables and identified any debtors with financial difficulty through discussions with management.</p> <p>c. Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management’s assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers and to consider if any additional provision should be made;</p> <p>d. Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis</p>

	<p><b><u>Conclusion</u></b></p> <p>Based on the above procedures, the key judgments and assumptions used by management in the recoverability assessment of trade receivables were found to be supportable based on the available evidence.</p>
<p><b>E.Non-Payment/Belated Payment of Statutory Dues</b></p> <p>Company has not paid/paid belatedly various undisputed statutory dues.</p> <p>Payment of statutory dues regularly and within time reflects on the health of the company apart from the need for us to report on issues of non-compliance to members.</p> <p>We have, therefore, considered payment of statutory dues as a key audit matter.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Performed the following list of audit procedures.</p> <ol style="list-style-type: none"> <li>Obtained details of payment of various statutory dues to be paid by company.</li> <li>Evaluated the design and operating effectiveness of internal controls relating to compliance with statutory dues.</li> <li>Verified that whether company has been regular in payment of statutory dues.</li> </ol> <p><b><u>Conclusion</u></b></p> <p>Based on the above procedures performed, it was noted that the payment of statutory dues depended upon availability of funds and is being paid with applicable interest for delays. The details of unpaid statutory dues are disclosed elsewhere in this report.</p>

#### **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 Management Discussion and Analysis, Board's Report including Annexures and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

My 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 the financial statements or our knowledge obtained in the 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.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 also responsible for overseeing the Company's financial reporting process.

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

My objectives are to obtain reasonable assurance about whether the 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 my 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 financial statements.

As part of an audit in accordance with SAs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 I conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I 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.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by Section 143 (3) of the Companies Act, 2013, we report that:
  - (a) I 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 my 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 Flows dealt with by this report are in agreement with the books of account.
  - (d) In my opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder to the extent applicable.
  - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - (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". My 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 requirements of section 197(16) of the Act, as amended:

In my opinion and to the best of our information and according to the explanations given to us, remuneration other than applicable sitting fees has been paid by the Company to its whole time director during the year which is in accordance with and not in excess of the limits laid down under the said section.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in my opinion and to the best of our information and according to the explanation given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements. (Refer Note 3.8 to the financial statements)
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2021.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act I give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**K.Nandhiswaran,F.C.A.,F.C.S.,**  
Chartered Accountant  
Membership No. 207644  
UDIN: 21207644AAAALP6056

August 23, 2021  
Chennai

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of SPEL SEMICONDUCTOR LIMITED on the financial statements as of and for the year ended March 31,2021)

### **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”)**

1. I have audited the internal financial controls over financial reporting of **SPEL SEMICONDUCTOR LIMITED**(“the Company”) as of March 31, 2021 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

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

2. The Company’s management 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 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**

3. My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. I conducted my 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 I 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.
4. My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

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

6. 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

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

7. 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.

#### **Opinion**

8. In my opinion and to the best of my information and according to the explanations given to me the Company has maintained in all material respects, adequate internal financial controls over financial reporting and such internal financial controls were operating effectively as of March 31, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial reporting issued by the Institute of Chartered Accountants of India.

**K.Nandhiswaran, F.C.A., F.C.S.,**  
Chartered Accountant  
Membership No. 207644  
UDIN: 21207644AAAALP6056

August 23, 2021  
Chennai

#### **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date of SPIL SEMICONDUCTOR LIMITED on the financial statements as on and for the year ended March 31, 2021)

- (i) In respect of its fixed assets:
- The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
  - The fixed assets were physically verified by the Management during the year under a phased programme of verification, which, in my opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company, nature and value of its assets. According to the information and explanations given to us, no material discrepancies have been noticed during the year on such verification.
  - The title deeds of immovable properties reflected in the books of the Company are held in the name of the Company.
- (ii) In respect of its inventories as explained to me, the inventories have been physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments, provided guarantees, and security covered under provisions of section 185 and 186 of the Companies Act, 2013.
- (v) According to information and explanations given to me, the Company has not accepted any deposit from public during the year and there are no unclaimed deposits to which Section 73 to 76 and other relevant provisions of Companies Act, 2013 are applicable. For this purpose, the funds brought in by the promoters/ relatives of promoters as unsecured loans in pursuance of the stipulation of a bank, are not considered as deposits.
- (vi) In my opinion and according to the information and explanations given to me, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.
- (vii) According to the information and explanations given to me and the books of account examined by us, in respect of statutory dues:
- The Company is not regular in depositing undisputed Provident Fund, Employee State Insurance, Income Tax, Tax deducted at Source, Service Tax, Goods and Service Tax (GST), Professional Tax and Property Tax during the year.
  - In respect of the above, delays were noticed in depositing undisputed Provident Fund, Employee State Insurance, Income Tax, Tax deducted at Source, Service Tax, Goods and Service Tax (GST) and Professional Tax, with the appropriate authorities during the year and the arrears of such dues outstanding as at March 31, 2021 for a period of more than six months from the date they became payable are :

ture of Dues	Amount ( ` in lakhs)	Remarks
Provident Fund	112.03	Subsequently deposited `45 Lakhs on April 09, 2021 and `45 Lakhs on April 29, 2021

Employee State Insurance	3.05	
Income tax	15.66	
Tax deducted at Source	55.08	Subsequently deposited ₹10.03 Lakhs on August 20, 2021
Service tax	24.05	
Goods and Service Tax	14.86	
Professional Tax	24.30	

- c) There are no dues of Sales Tax, Service Tax, Excise Duty, Customs duty, Value Added Tax, and Goods and Service Tax which have not been deposited on account of any dispute. Details of dues towards income tax that have not been deposited as at March 31, 2021 on account of disputes are as stated below:

Name of the statute	Disputed dues (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax	0.50	Assessment year 2000-01	Madras High Court
Income Tax	406.27	Assessment year 2012-13	Income Tax Appellate Tribunal

- (viii) In my opinion and according to the information and explanations given to me, the Company has not defaulted in the repayment of loans or borrowings to banks and government and dues to debenture holders. There are no loans or borrowings from the financial institutions.
- (ix) According to the information and explanations given to us and the records of the Company examined by us, no monies were raised by way of initial public offer or further public offer (including debt instruments) and no term loans have been availed by the Company during the year. Hence, the relative reporting requirements under the Order are not commented upon.
- (x) To the best of my knowledge and belief, and according to the information and explanations given to us and considering the size and nature of the Company's operations, no fraud by the Company and no fraud of material significance on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In my opinion and according to information and explanation given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable to the Company.
- (xiii) In my opinion and according to the information and explanations given to me the Company has complied 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 standard.

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and, hence, reporting under clause (xiv) of the order is not applicable to the company.
- (xv) In my opinion and according to the information and explanations given to me, the Company has not entered into any non-cash transactions during the year with its directors or persons connected with him/her and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**K.Nandhiswaran**

**Chartered Accountant**

Membership No:207644

UDIN: 21207644AAAALP6056

August 23, 2021

Chennai

**SPEL Semiconductor Limited****Abridged Balance Sheet as at March 31, 2021**

[ Statement containing salient features of Balance Sheet as per first proviso to Section 136 (1) of the Companies Act , 2013 and Rule 10 of Companies ( Accounts ) Rules, 2014.]

(All amounts in Rs.lakhs unless otherwise stated )

Particulars	As at March 31, 2021	As at March 31, 2020
<b>1.ASSETS</b>		
<b>(A) Non-current assets</b>		
a)Property, plant and equipment	11291.32	11711.14
b)Intangible assets	0.16	0.62
c)Financial Assets		
(I) Investments	-	-
(ii) Others	63.55	65.63
d) Tax assets (net)	31.64	23.48
	11386.67	11800.87
<b>(B)Current assets</b>		
(a)Inventories	1059.35	1059.99
(b)Financial Assets		
(i) Trade Receivables	4040.39	3197.92
(ii) Cash and cash equivalents	1.15	2.35
(iii) Bank balances other than (ii) above	-	2.69
(iv) Others	41.12	55.87
Contract assets	-	1927.63
Other current assets	114.62	126.24
	5256.63	6372.69
<b>TOTAL ASSETS</b>	<b>16643.30</b>	<b>18173.56</b>
<b>(2) EQUITY AND LIABILITIES</b>		
(1)Equity		
Equity Share capital	4613.25	4613.25
Other Equity	2590.85	3289.93
	7204.10	7903.18
<b>(2)Liabilities</b>		
(A)Non-current liabilities		
(a)Financial liabilities		
(i) Borrowings	1817.57	1647.57
(ii) Other financial liabilities	116.78	109.93
(B)Provisions	298.80	421.29
(C)Deferred tax liabilities (net)	2144.85	2126.34
(D)Other non current liabilities	106.74	113.59
	4484.74	4418.72
(B)Current liabilities		
(a)Financial liabilities		
(i) Borrowings	1175.04	1112.90
(ii) Trade payables	920.94	1759.46
(iii) Other financial liabilities	1489.13	1175.90
(b)Other current liabilities	1322.95	1737.13
(c)Provisions	46.40	66.27
	4954.46	5851.66
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>16643.30</b>	<b>18173.56</b>

The accompanying notes form an Integral part of the abridged financial statements

For and on behalf of the Board		
As Per our report of even date	<b>K. Ravikumar</b>	<b>N.Suryanarayanan</b>
<b>K Nandhiswaran</b>	Director	Director
Chartered Accountant	DIN : 00119753	DIN : 02282919
Membership Number: 207644		<b>S Chandramohan</b>
UDIN: 21207644AAAAALP6056	<b>D. Balakrishnan</b>	Director
	Director & CEO	DIN : 00052571
Date: Aug 23,2021	DIN : 02131242	<b>G.Venkatesan</b>
Place: Chennai		Chief Financial Officer
	<b>S.Sivaraman</b>	
	Company Secretary	

**SPEL Semiconductor Limited****Abridged Statement of Profit and Loss For the Year ended March 31,2021**

[ Statement containing salient features of Profit and Loss as per first proviso to Section 136 (1) of the Companies Act , 2013 and Rule10 of Companies ( Accounts ) Rules, 2014.]

(All amounts in Rs.lakhs unless otherwise stated )

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(I) Income</b>		
Revenue from operations	1592.11	3653.74
Other income	545.23	179.65
<b>Total Income</b>	2137.34	3833.39
<b>(II) Expenses</b>		
Cost of materials consumed	482.86	944.52
Changes in inventories of finished goods	12.53	(56.59)
Employee benefits expense	708.46	1069.84
Finance costs	116.45	142.61
Depreciation and amortisation expense	430.44	498.24
Other expenses	950.85	1097.40
<b>Total Expenses</b>	2701.59	3696.02
(III) Profit / (Loss) before exceptional items and tax	(564.25)	137.37
(IV) Exceptional items	280.08	2.72
(V) Profit/(Loss) before tax	(844.33)	134.65
(VI) Tax expense:		
Current tax Charge / (Reversed)	-	-
Deferred tax Charge/ (Reversed)	19.17	29.29
(VII) Profit / (Loss) for the year	(863.50)	105.36
(VIII) Other Comprehensive Income		
Items that will not be reclassified to Profit or Loss		
Remeasurement of Defined Benefit Plans	163.76	41.99
Income tax relating to items that will not be reclassified to Profit or Loss	-	-
Total Other Comprehensive Income	163.76	41.99
<b>(IX) Total Comprehensive Income for the year</b>	<b>(699.74)</b>	<b>147.35</b>
<b>Earnings per Share (Face value Re.10 each)</b>		
<b>Basic</b>	<b>(1.87)</b>	<b>0.23</b>
<b>Diluted</b>	<b>(1.87)</b>	<b>0.23</b>

The accompanying notes form an Integral part of the abridged financial statements

As Per our report of even date

**K Nandhiswaran**

Chartered Accountant

Membership Number: 207644

UDIN: 21207644AAAAALP6056

Date: Aug 23,2021

Place: Chennai

**K. Ravikumar**

Director

DIN : 00119753

**N.Suryanarayanan**

Director

DIN : 02282919

**G.Venkatesan**

Chief Financial Officer

**S Chandramohan**

Director

DIN : 00052571

**D. Balakrishnan**

Director & CEO

DIN : 02131242

**S.Sivaraman**

Company Secretary

**Spel Semiconductor Limited****Abridged Cash Flow Statement for the year ended March 31, 2021**

[ Statement containing sailent features of Cash Flow Statement as per first proviso to Section 136 (1) of the Companies Act , 2013 and Rule10 of Companies ( Accounts ) Rules, 2014.]

*(All amounts in Rs.lakhs unless otherwise stated)*

Particulars	March 31, 2021	March 31, 2020
(A) Net cash (used in) from operating activities	-237.96	-672.64
(B)Net cash from investing activities	121.08	146.16
(C)Net cash (used in) financing activities	115.68	527.87
<b>Net (decrease) / Increase in cash &amp; Cash equivalents</b>	<b>-1.20</b>	<b>1.39</b>
Opening cash and cash equivalents	2.35	0.89
Exchange difference relating to foreign currency cash on	-	0.07
<b>Closing cash and cash equivalents [Refer Note 3a.</b>	<b>1.15</b>	<b>2.35</b>
The accompanying notes form an Integral part of the abridged financial statements		

As Per our report of even date  
**K Nandhiswaran**  
Chartered Accountant  
Membership Number: 207644  
UDIN: 21207644AAAAALP6056

**K. Ravikumar**  
Director  
DIN : 00119753

**S Chandramohan**  
Director  
DIN : 00052571

**N.Suryanarayanan**  
Director  
DIN : 02282919

**D. Balakrishnan**  
Director & CEO  
DIN : 02131242

Date: Aug 23,2021  
Place: Chennai

**G.Venkatesan**  
Chief Financial Officer

**S.Sivaraman**  
Company Secretary

**Abridged Statement of Changes in Equity for the year ended March 31, 2021**

		( All amounts in Rs. Lakhs unless otherwise stated)	
		As at March 31, 2021	As at March 31, 2020
<b>B</b>	<b>OTHER EQUITY</b>		
	Securities Premium Reserve	47.35	47.35
	<b>Retained Earnings</b>		
	Balance as at the beginning of the year	3,242.58	3,094.73
	Add: Current period Profit / ( Loss )	(863.50)	105.36
	Other Comprehensive Income arising from remeasurement of defined benefit obligation ( net of tax)	163.76	41.99
	Defferred tax	0.66	0.50
	Balance as at the end of the year	2,543.50	3,242.58
	<b>Total</b>	<b>2,590.85</b>	<b>3,289.93</b>

Securities premium represents premium received on equity shares issued, which can be utilized only in accordance with the provisions of the Companies act 2013 for the specific purpose.

The accompanying notes form an integral part of the abridged financial statements.

As Per our report of even date

**K Nandhiswaran**

Chartered Accountant

Membership Number: 207644

UDIN: 21207644AAAAALP6056

For and on behalf of the Board

**K. Ravikumar**

Director

DIN : 00119753

**N.Suryanarayanan**

Director

DIN : 02282919

**S Chandramohan**

Director

DIN : 00052571

Date: Aug 23, 2021

**D. Balakrishnan**

Director & CEO

DIN : 02131242

**G.Venkatesan**

Chief Financial Officer

Secretary

**S.Sivaraman**

Company

Place: Chennai

**Spel Semiconductor Limited****Notes to Abridged Financial Statements for the year ended 31st March ,2021**

(All amounts in ` Lakhs unless otherwise stated)

**1.Basic Of Preparation**

a) The Abridged Financial statements have been prepared on the basis of the complete set of financial statements for the year ended March 31, 2021,

in accordance with first proviso to section 136(1) read with Rule 10 of Companies (Accounts) Rules, 2014. (as amended) The financial statements have been prepared in accordance with notified under the Companies (Indian Accounting Standards) Rules, 2015.

b) Complete Balance sheet, Statement of profit and Loss (including Other Comprehensive Income), the Statement of cash flows, the statements of Changes in equity,

other statements and notes there to prepared as per the requirements of Division II to the Schedule III to the Act are available at the Company's website at link : [www.spel.com](http://www.spel.com). Copy of the financial statements is also available for inspection at the registered office of the Company during working hours for period of 21 days before the date of AGM.

**2.DEFERRED TAX LIABILITIES (NET)**

( Note 1.14 of the Financial Statements)

	As at March 31, 2021	As at March 31, 2020
a) Deferred tax liabilities	2,308.95	2,391.44
b) Deferred tax (assets)	(164.10)	(265.87)
	<u>2,144.85</u>	<u>2,126.34</u>

**3.CURRENT FINANCIAL ASSETS - CASH AND BANK BALANCES**

( Note 1.6 of the Financial Statements)

	As at March 31, 2021	As at March 31, 2020.
a. Cash and Cash Equivalents		
i) Balances with banks in current account	0.26	1.70
ii) Cash on hand	0.89	0.65
	<u>1.15</u>	<u>2.35</u>
b. Other Bank Balances		
ii) Margin money deposits #	-	2.69
	<u>1.15</u>	<u>5.04</u>

# Margin money deposit are given as security for opening letter of credit with bank and represents deposits with original maturity more than 3 months

**Spel Semiconductor Limited****Notes to Abridged Ind AS Financial Statements for the year ended 31st March ,2021**

(All amounts in ` Lakhs unless otherwise stated)

**4. REVENUE FROM OPERATION**

( Note 2.1 of the Financial Statements)

	Year Ended March 31, 2021	Year Ended March 31, 2020
a) Sale of products		
Export sales	1,586.31	3,639.50
b) Revenue from services	5.80	14.24
c) Other operating revenue	-	-
	<b>1,592.11</b>	<b>3,653.74</b>

**5. EXCEPTIONAL ITEMS**

( Note 2.9 of the Financial Statements)

	Year Ended March 31, 2021	Year Ended March 31, 2020
a) Credit balances written back	(1,647.55)	-
b) Provision for Old inventory written back	-	(657.59)
c) Unbilled revenue written off	1,927.63	660.31
	<b>280.08</b>	<b>2.72</b>

**6. Contingent Liabilities**

( Note 3.8 to the Financial Statements)

	As at March 31,2021	As at March 31,2020
a) Claims against the Company not acknowledged as debts (net)		
- Income tax matters under appeal	456.27	140.29

**7. Commitments**

( Note 3.9 to the Financial Statements.)

	Nil	Nil
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**Spel Semiconductor Limited****Notes to Abridged Ind AS Financial for the year ended March 31, 2021***(All amounts in ` Lakhs unless otherwise stated)***8. Segment Information**

(Note 3.6 to the Financial Statements)

The Chief Executive Officer of the Company has been identified as being the Chief Operating Decision Maker. Based on the internal reporting to the Chief Operating Decision Maker, the Company has identified that it has only one segment which is Integrated circuits based on nature of products, risks, returns and the internal business reporting system.

**9. Related Party Disclosure**

(Note 3.7 to the Financial Statements)

**a) List of Parties where control exists**

Ultimate Holding Company

Natronix Semiconductor Technology Private Limited ( Singapore )

**b) Other Related Parties****(i) Fellow Subsidiary**

Natronix Semiconductor Technology Limited ( upto Mar 24, 2021 )

Natronix Semiconductor Technology Private Limited ( from Mar 25, 2021 )

**(ii) Key Managerial Personnel**

Mr.D.Balakrishnan.CEO and Director

Mr.V Srinivasan ( upto Aug 17, 2019 )

Chief Financial Officer

Mr V Ravichandran

Chief Financial Officer ( from Nov 1, 2019 to Mar 23,2020)

Mr G Venkatesan

Chief Financial Officer ( from Jul 10,2020)

Mr. S S Arunachalam ( upto Nov 30, 2019)

Company secretary

Ms Leena Manishkumar ( from May 28. 2020 to Jun 30,2020 )

Company secretary

**C) Significant Related Party Transactions****March 31, 2021****March 31, 2020**

Ultimate Holding company

Natronix Semiconductor Technology Pvt. Limited

a. Business Promotion - Marketing fee

98.54

93.70

b. Trade payable

515.22

411.47

Fellow subsidiary

Natronix Semiconductor Technology Limited ( upto Mar 24, 2021 )

Natronix Semiconductor Technology Private Limited ( from Mar 25, 2021 )

a. Sale of goods

-

7.43

b. Trade receivable

-

0.73

Key management personnel

Mr. D Balakrishnan, CEO and Director

(i) Remuneration\*

22.48

23.52

(ii) Payable

15.90

32.81

Mr.V.Srinivasan, Chief Financial Officer

(i) Remuneration\*

-

4.74

(ii) Payable

-

7.14

Mr.V.Ravichandran , Chief Financial Officer

(i) Remuneration\*

-

4.58

(ii) Payable

-

3.11

Mr.G.Venkatesan , Chief Financial Officer

(i) Remuneration\*

5.60

(ii) Payable

1.23

Mr S S Arunachalam, Company Secretary

(i) Remuneration\*

-

8.58

(ii) Payable

-

8.24

Ms Leena Manishkumar, Company Secretary

(i) Remuneration\*

0.81

-

(ii) Payable

-

-

\*Excludes contribution for gratuity and compensated absences as the incremental liability has been accounted for the Company as a whole

<b>SPEL Semiconductor Limited</b> <b>Notes to Abridged Financial Statements</b> <i>(All amounts in ` Lakhs unless otherwise stated)</i> <b>10. Disclosures required under the Micro, Small &amp; Medium Development Act, 2006</b> ( Note 3.12 to the Financial Statements ) The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act). The disclosures pursuant to the said MSME Act are as follows:																				
	<table><tr><th>Particulars</th><th>2020-21</th><th>2019-20</th></tr><tr><td>The Principal amount (2020-21 : Rs 2.30 2019-2020 : Rs 2.30) ; and the interest due (2020-21: Rs 7.33, 2019-20: Rs 7.04) there on remain unpaid to suppliers at the end of each accounting year.</td><td>9.63</td><td>9.34</td></tr><tr><td>The amount of Interest paid by the buyer in terms of Section 16 of the Micro, Small and medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during the accounting year.</td><td>-</td><td>-</td></tr><tr><td>Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.</td><td>-</td><td>-</td></tr><tr><td>The amount of interest accrued and remaining unpaid at the end of each accounting year.</td><td>0.29</td><td>1.00</td></tr><tr><td>The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure u/s 23 of the Micro, Small enterprises Development Act, 2006.</td><td>7.33</td><td>7.04</td></tr></table>	Particulars	2020-21	2019-20	The Principal amount (2020-21 : Rs 2.30 2019-2020 : Rs 2.30) ; and the interest due (2020-21: Rs 7.33, 2019-20: Rs 7.04) there on remain unpaid to suppliers at the end of each accounting year.	9.63	9.34	The amount of Interest paid by the buyer in terms of Section 16 of the Micro, Small and medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during the accounting year.	-	-	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.29	1.00	The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure u/s 23 of the Micro, Small enterprises Development Act, 2006.	7.33	7.04	
Particulars	2020-21	2019-20																		
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The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure u/s 23 of the Micro, Small enterprises Development Act, 2006.	7.33	7.04																		
	The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of the information available with the company																			
11	Exception items consists of the following :  a) Unbilled Revenue aggregating to Rs. 1927.63 lakhs (2019-20: Rs.660.31 lakhs) considered no longer receivable based on assessment of recoverability of the balances by the Management have been written off in the books of account. b) Credit Balances amounting to Rs.1647.55 lakhs (2019-20 : Rs.657.59 lakhs) considered no longer payable / required based on review by the Management have been written back in the books of account. The above mentioned amounts written off and written back in the books of of account were approved by a resolution passed by the Board of Directors. (Note 3.14 to The Financial Statements)																			
12	The Company is engaged in-house technology upgradation in the process, thereby strengthening the efforts to bring in new products and improving capacity utilization. The Company's brand image and capabilities are well acknowledged by customers who have a strong role in improving its top line and would generate commensurate cash accruals in the ensuing years. All the above efforts are supported by the Promoters who have infused funds to improve liquidity to settle obligations as and when they fall due. ( Note 3.15 to the Financial Statements).																			
13	The Company has taken into account all the possible impacts of COVID 19 pandemic in preparation of these financial statements,  including but not limited to its assessments of liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition etc. The Company has carried out this review and assesment based on available internal and external sources of information upto the date of approval of these financial statements. The actual impact of COVID-19 pandemic on the financial results may defer from that estimated by the Company as on the date of approval of this fiancial statement owing to the uncertain nature and duration of the pandemic. (Note 3.16 to the Financial Statements)																			
14	The figures of the previous year have been reclassified / regrouped whever necessary.																			
For and on behalf of the Board																				
As Per our report of even date																				
<b>K Nandhiswaran</b>																				
Chartered Accountant																				
Membership Number: 207644																				
UDIN: 21207644AAAALP6056																				
Date: Aug 23, 2021																				
Place: Chennai																				
<table><tr><td><b>K. Ravikumar</b> Director DIN : 00119753 <b>D. Balakrishnan</b> Director &amp; CEO DIN : 02131242 <b>G.Venkatesan</b> Chief Financial Officer</td><td><b>N.Suryanarayanan</b> Director DIN : 02282919 <b>S Chandramohan</b> Director DIN : 00052571 <b>S.Sivaraman</b> Company Secretary</td></tr></table>			<b>K. Ravikumar</b> Director DIN : 00119753 <b>D. Balakrishnan</b> Director & CEO DIN : 02131242 <b>G.Venkatesan</b> Chief Financial Officer	<b>N.Suryanarayanan</b> Director DIN : 02282919 <b>S Chandramohan</b> Director DIN : 00052571 <b>S.Sivaraman</b> Company Secretary																
<b>K. Ravikumar</b> Director DIN : 00119753 <b>D. Balakrishnan</b> Director & CEO DIN : 02131242 <b>G.Venkatesan</b> Chief Financial Officer	<b>N.Suryanarayanan</b> Director DIN : 02282919 <b>S Chandramohan</b> Director DIN : 00052571 <b>S.Sivaraman</b> Company Secretary																			
61																				