

INDEPENDENT AUDITOR'S REPORT

To the Members of MTAR Technologies Limited

Report on the Audit of the Standalone Financial Statements**Opinion**

We have audited the accompanying standalone financial statements of MTAR Technologies Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 2.2f and 20 of the standalone financial statements)	
<p>Revenue from contracts with customer is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. During the year ended March 31, 2024, the Company has recognised revenue amounting to Rs. 1,606.29 million and Rs. 4,118.90 million from domestic and export sales respectively.</p> <p>The point at which control passes is determined based on the terms and conditions by each customer arrangement i.e., delivery specifications including incoterms in case of exports. The risk is, therefore, that revenue may not get recognised in the correct period.</p> <p>Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it has been determined to be a key audit matter in our audit of the standalone financial statements.</p>	<p>Our audit procedures, among others included the following:</p> <ul style="list-style-type: none">Assessed the Company's revenue recognition policy in terms of Ind AS 115 ("Revenue from Contracts with Customers").Obtained an understanding, assessed the design and tested the operating effectiveness of internal controls related to revenue recognition.Performed the following tests for a sample of transactions<ul style="list-style-type: none">tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer contracts / sales orders, shipping documents and other related documents.verified whether the recognition of revenue is in accordance with the incoterms / when the conditions for revenue recognitions are satisfied.Tested the supporting documentation for sample of sales transactions recorded during the period closer to the year end to agree the period of revenue recognition to underlying documents as referred above.Assessed the relevant disclosures made in the standalone financial statements.

We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

