

Date: 08.08.2023

REF: SEC: COORD: 134

Manager, Listing Department, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. Scrip Symbol - ITDC (EQ)	Manager, Department of Corporate Services BSE Limited, Mumbai Floor 25, P.J. Towers, Dalal Street Mumbai- 400 001 Scrip code : 532189
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Sub: Submission of Statements of Impact of Auditor's qualification

This is with reference to earlier announcement dtd 08th August, 2023 subjected with "Outcome of Board Meeting and Submission of Un-Audited Standalone & Consolidated Financial Results for the quarter ended June 30, 2023".

We are enclosing herewith statements of impact of Auditor's qualification for the Quarter ended June 30, 2023.

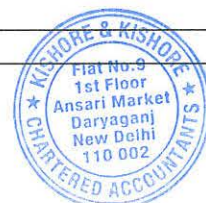
Thanking you,

For **India Tourism Development Corporation Ltd.**

V.K. Jain
Company Secretary

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along with Standalone Limited Review Financial Results**

Statement on Impact of Audit Qualifications for the Quarter ended June 30, 2023				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in lakh)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in lakh)
	1.	Turnover / Total income	12,182.67	12,182.67
	2.	Total Expenditure	10,413.72	10,413.72
	3.	Net Profit/(Loss)	1,768.95	1,768.95
	4.	Earnings Per Share	2.08	2.08
	5.	Total Assets	99,648.93	99,648.93
	6.	Total Liabilities	60,222.54	60,222.54
	7.	Net Worth	39,426.39	39,426.39
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: As per Annexure-A		
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion: Qualified		
	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: Annexure – A		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Annexure – A		
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:		
		(i) Management's estimation on the impact of audit qualification: N.A.		
		(ii) If management is unable to estimate the impact, reasons for the same: As per Annexure – A		
		(iii) Auditors' Comments on (i) or (ii) above: Not applicable		
III.	Signatories:			
		• CEO/Managing Director – NA		
		• CFO		
		• Audit Committee Chairman		
		• Statutory Auditor		
	Place: New Delhi			
	Date: 08.08.2023			



Rehul Agg

Annexure - A (Standalone)

Sr. No.	Audit Qualification	Type of Audit Qualification	Frequency of Audit Qualification	Management's view where impact of Audit Qualification is quantified by the Auditors	Impact not quantified by Auditor, Management's estimation on the impact of audit qualification (I)	If Management is unable to estimate the impact, reasons for the same (II)	Auditor's Comment on (I) and (II)
1	<p>Based on information provided to us by management in case of Ashok Tours and Travels (ATT) Delhi:</p> <p>A. In September, 2019, the Company had entered into an agreement with GSA for marketing of Air tickets etc. for them. The commission for the said business was to be shared equally with them. We observed the following:</p> <p>i. The agency was to make interest free cash deposit of Rs. 1.80 crore and furnish Bank Guarantee for Rs. 1.20 crore for purpose of buying air tickets and other travel related services upto a sum of Rs. 3.00 crore. Out of the said amount, Rs. 30 lakh was to be kept as security deposit leaving a balance of Rs. 2.70 crore. The said amount was required to be increased additionally through deposit of funds as and when required by the business. As per the agreement, the evaluation is to be made by the Company on a monthly basis and in case of its non-compliance the issue of all travel related services would be stopped till funds are received.</p> <p>But we observed the dilemma that in view of jump in the business envisaged at Rs. 3.00 crore</p>	Qualified Opinion	Second Time	Not quantified by Auditor	Not quantified by Management	Reconciliation exercise of the transactions carried out with the GSA is under process. The impact, if any, would be known on completion of the reconciliation exercise.	N.A





	<p>initially, having gone up to Rs. 111.58 crore as at 30th June, 2023, the said terms relating to deposit of additional funds by the agency is not being complied with. Only an amount of Rs. 8.00 crore stands withheld/kept in the form of bank guarantee by the Company to cover the credit.</p> <p>In view of the said situation, difficulty is being experienced in the implementation of the said terms of the agreement, the impact thereof on funds and liabilities remain indeterminate.</p> <p>ii. Account with the Agency has been reconciled upto 31st March 2023 then showing a difference of Rs. 34.95 lakh which has since been reduced to Rs. 25.39 lakh as on 30th June 2023. Further reconciliation is in progress. Impact thereof remains indeterminate.</p> <p>iii. The incentive on bookings viz the Performance Linked Bonus (PLB) is also to be shared with the Agency, however the same has been reconciled for the period of 2018-19 to 2021-22 and for the remaining period it is yet to be reconciled and therefore not accounted for in the books. The impact thereof on the financial statements is in determinate.</p>						
	<p>B. ATT has entered into Memorandum of Understanding with its certain customers comprising of mainly Ministries/Government departments/Government Organisations for rendering travel related services of Domestic and</p>	<p>Qualified Opinion</p>	<p>Second Time</p>	<p>Not quantified by Auditor</p>	<p>Not quantified by Management</p>	<p>The impact, if any of OM issued by MoF is under examination</p>	<p>N.A.</p>

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	International Air ticketing at Nil Charge. However, it is observed that this clause is not yet implemented by the Company.					with reference to the terms of the billing.	
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**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along with Consolidated Limited Review Financial Results**

Statement on Impact of Audit Qualifications for the Quarter ended June 30, 2023				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in lakh)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in lakh)
	1.	Turnover / Total income	12,266.18	12,266.18
	2.	Total Expenditure	10,539.43	10,539.43
	3.	Net Profit/(Loss)	1,726.75	1,726.75
	4.	Earnings Per Share	2.03	2.03
	5.	Total Assets	97,334.39	97,334.39
	6.	Total Liabilities	62,462.29	62,462.29
	7.	Net Worth	34,872.10	34,872.10
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: As per Annexure-A		
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion: Qualified		
	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: Annexure – A		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Annexure – A		
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		(i) Management's estimation on the impact of audit qualification: N.A.		
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		(iii) Auditors' Comments on (i) or (ii) above: Not applicable		
III.	Signatories:			
		• CEO/Managing Director - NA		
		• CFO		
		• Audit Committee Chairman		
		• Statutory Auditor		
		Place: New Delhi		
		Date: 08.08.2023		



Rahul Agg

Annexure - A (Consolidated)


Sr. No.	Audit Qualification	Type of Audit Qualification	Frequency of Audit Qualification	Management's view where impact of Audit Qualification is quantified by the Auditors	Impact not quantified by Auditor, Management's estimation on the impact of audit qualification (I)	If Management is unable to estimate the impact, reasons for the same (II)	Auditor's Comment on (I) and (II)
1	<p>Based on information provided to us by management in case of Ashok Tours and Travels (ATT) Delhi:</p> <p>A. In September, 2019, the Company had entered into an agreement with GSA for marketing of Air tickets etc. for them. The commission for the said business was to be shared equally with them. We observed the following:</p> <p>i. The agency was to make interest free cash deposit of Rs. 1.80 crore and furnish Bank Guarantee for Rs. 1.20 crore for purpose of buying air tickets and other travel related services upto a sum of Rs. 3.00 crore. Out of the said amount, Rs. 30 lakh was to be kept as security deposit leaving a balance of Rs. 2.70 crore. The said amount was required to be increased additionally through deposit of funds as and when required by the business. As per the agreement, the evaluation is to be made by the Company on a monthly basis and in case of its non-compliance the issue of all travel related services would be stopped till funds are received.</p> <p>But we observed the dilemma that in view of jump in the business envisaged at Rs. 3.00 crore</p>	Qualified Opinion	Second Time	Not quantified by Auditor	Not quantified by Management	Reconciliation exercise of the transactions carried out with the GSA is under process. The impact, if any, would be known on completion of the reconciliation exercise.	N.A



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	<p>initially, having gone up to Rs. 111.58 crore as at 30th June, 2023, the said terms relating to deposit of additional funds by the agency is not being complied with. Only an amount of Rs. 8.00 crore stands withheld/kept in the form of bank guarantee by the Company to cover the credit.</p> <p>In view of the said situation, difficulty is being experienced in the implementation of the said terms of the agreement, the impact thereof on funds and liabilities remain indeterminate.</p> <p>ii. Account with the Agency has been reconciled upto 31st March 2023 then showing a difference of Rs. 34.95 lakh which has since been reduced to Rs. 25.39 lakh as on 30th June 2023. Further reconciliation is in progress. Impact thereof remains indeterminate.</p> <p>iii. The incentive on bookings viz the Performance Linked Bonus (PLB) is also to be shared with the Agency, however the same has been reconciled for the period of 2018-19 to 2021-22 and for the remaining period it is yet to be reconciled and therefore not accounted for in the books. The impact thereof on the financial statements is in determinate.</p>						
	<p>B. ATT has entered into Memorandum of Understanding with its certain customers comprising of mainly Ministries/Government departments/Government Organisations for rendering travel related services of Domestic and</p>	<p>Qualified Opinion</p>	<p>Second Time</p>	<p>Not quantified by Auditor</p>	<p>Not quantified by Management</p>	<p>The impact, if any of OM issued by MoF is under examination</p>	<p>N.A.</p>

	International Air ticketing at Nil Charge. However, it is observed that this clause is not yet implemented by the Company.					with reference to the terms of the billing.	
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