

MESSAGE FROM THE CHAIRMAN & MANAGING DIRECTOR



Sunder G. Advani

Dear Fellow Shareholders,

It gives me immense pleasure to address you on behalf of our Board of Directors, at the 39th Annual General Meeting of your Company.

India's GDP has recorded the fastest growth of any nation, which is a positive development. As a result, there is greater amount available for spending by Corporates and Individuals on stays at hotels. These are good developments for our industry as a whole.

The World Travel & Tourism Council has estimated that Travel & Tourism contributed INR 23 Trillion, or 6.6% of GDP in 2025 and provided 46.2 million jobs in India. These constitute 10.8% of all jobs. They estimate that 63.5 million persons will be employed in Travel and Tourism in India in 2036. Amidst the ongoing challenge of generating employment opportunities for our population, the hotel industry emerges as a promising solution, and thus should be supported by our Government. Our industry also presents a cost-effective avenue for training young individuals, thereby addressing both the issue of unemployment, and the need for skill development. We in India are better suited for hospitality, which requires personal service, which cannot be provided by emotionless robots.

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The Government could consider a lower GST rate for those guests who pay their hotel bills in foreign currency.

Our Government has spent huge amounts on improving infrastructure like airports, roads and other important facilities to improve tourism. Some of the additional measures that our Government may consider to make India more attractive for foreign tourists would be to make India safer, especially for women travelers, and improve cleanliness.

As per the Ministry of Tourism, foreign tourist arrivals to India stood at 9.95 million in the year 2024. India's ranking in terms of international tourists was 20th amongst all countries. The amount allocated for overseas promotion and publicity is only INR 430 million for the year 2025-26, which is inadequate.

Revenues from foreign tourists in foreign exchange are important, as there is likely to be a greater amount spent by our Country on oil imports after the Iran War. There is a greater interest from NRI's to come to India, but there is much negative publicity abroad about events in India. Our hotel aggressively promotes our Resort to NRI's living overseas.

Hotel rates have been increased as a result of the shortage of rooms, but are still reasonable compared to Western countries. The Government could consider a lower GST rate for those guests who pay their hotel bills in foreign currency.

Company Financials:

- The Company has achieved total income of INR 1102 million and a GOP of INR 356 million.
- Due to the macroeconomic damage coupled with geopolitical uncertainty, our annual occupancy reduced to 73%. Despite this impact on occupancy, our Company was able to report a growth in the Average Total Revenue per Occupied Room per Night (TRevPOR) (after subtracting taxes) by 6.9%, from INR 19,725 per room per night in FY25, to INR 21,086 (after subtracting taxes) in FY26.

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The Company is debt-free and the cash and bank balance (including current investments and fixed deposits) increased to INR 588.6 Million as on March 31, 2026.

- Exceptional items for the year include a one-time impact of INR 9.1 million on account of the implementation of new labour codes and its impact for earlier years.
- The total dividend payout for FY26 was INR 166.4 million, i.e. a 70% payout of the Net profit after Tax.
- The Company is debt-free and the cash and bank balance (including current investments and fixed deposits) increased from INR 517.0 Million in FY25 to INR 588.6 Million as on March 31, 2026.

There has been a decrease in the Gross Operating Profit as a result of the Indo-Pakistan war in May 2025, and the Iran war in March 2026. Expenses have increased primarily due to higher salaries, energy costs, and legal & professional fees.

Growth prospects:

This year an independent valuation exercise was conducted by two registered valuers and their reports

reaffirm the substantial value embedded in our land, our brand, and our operating asset, providing a strong foundation as we look ahead to the Company's next phase of growth.

We had already embarked on building a new larger Banquet Hall and other facilities of about 16,530 sq. ft. early this year and the same is likely to be completed in mid-2027. A separate swimming pool, designed specially for events, will be completed in approximately December 2026.

There is a greater demand for Weddings and Conferences in Goa, as it has become even more expensive to fly overseas for such events.

To compliment the new larger banquet hall, the Board has decided to expand our room capacity. We already have unutilized FSI and over 22 acres of land and have prepared a Master Plan for adding these rooms. Our Board is dedicated to enhancing long-term shareholder value, supported by a deleveraged balance sheet and a growth trajectory going forward.

Conclusion:

Even though our resort was built over 35 years ago, it has been able to compete with newly built branded ones on the same 30 kilometer Varca / Colva beach. The secret is partly the spectacular architectural design. The late, Mr. Biki Oberoi once stated "all hotels are not created equal". Many hotels in India are built on a beach.

**PROFIT BEFORE TAX
(PBT)**

316.0

₹ in millions

**DIVIDEND
PAYOUT**

166.4

₹ in millions

**RETURN ON
ASSETS**

21.3%

**AFTER-TAX RETURN
ON EQUITY**

28.2%

We are fortunate to have a 277-metre wide beach front on the powdery white sand of Varca Beach.

Our commitment to rewarding shareholders remains steadfast – the total dividend payout for FY26 was INR 166.4 million, i.e. a 70% payout of the Net profit after Tax.

However, not all beaches are created equal. The safety and width of beach and the colour / softness of the sand make the difference. We are fortunate to have a 277-metre wide beach front on the powdery white sand of Varca Beach.

I would like to acknowledge the support of our Shareholders, Travel Agents, Booking.com and Make My Trip. I am grateful to our repeat guests who have been the pillar of our strength and resilience over these years. I am indebted to our employees, bankers and Government officials in the Ministry of Finance, Home, Commerce, External Affairs, Tourism, Civil Aviation, Labour, Road Transport and Niti Aayog. I am thankful to the Government of Goa, especially our Honourable Chief Minister. I would also like to express my gratitude to the Village Panchayat of Varca for their continuous support. Lastly, but not the least, I would like to thank our Board of Directors for their wisdom and guidance.

With best wishes,

Chairman & Managing Director

NET REVENUE

1102.0

₹ in millions

RevPAR

15,763

₹ per night after
subtracting taxes

AVERAGE REVENUE PER OCCUPIED ROOM

21,086

₹ per night after
subtracting taxes