Merino Industries Ltd

Industrials - Laminates & Panel Products - Unlisted - ISIN INE662B01017

India's largest laminate brand, 95% Lohia-owned, earning Rs 219 cr in laminates but losing Rs 120 cr a year on its new Halol panel plant; FY26 PAT was Rs 0.33 cr and the Rs 2,575 board rate is 2.1x book.

INDICATIVE PRICE	MARKET CAP	P/E	P/B
Rs 2,575.00 (-17.73% today)	Rs 2,879 Cr	8,583.33	2.12

BOOK VALUE / SHARE	EPS	52-WEEK RANGE	LOT / SETTLEMENT
Rs 1,214.98	Rs 0.30	Rs 2,575 - Rs 3,980	25 shares - T+1 working day

About the company

Merino Industries Limited (CIN U51909WB1965PLC026556, Kolkata) is the flagship of the Lohia family's Merino Group and calls itself India's No. 1 laminate brand with presence in 80+ countries. It makes decorative high-pressure laminates, compact panels and chemicals (Hapur, Rohad, Hosur, Dahej), FABWood particle board, pre-laminated panels and modular furniture at the 57.4-acre Halol complex in Gujarat, plus potato flakes and agricultural produce. Six plants, 23 offices and 6,498 employees at 31 March 2026. There are no subsidiaries; the accounts are standalone.

FY26 revenue from operations rose 9.5% to Rs 2,520.6 cr (FY25 Rs 2,301.4 cr) and EBITDA to Rs 184.0 cr (7.3% margin, from Rs 159.1 cr / 6.9%). But depreciation of Rs 127.3 cr and finance cost of Rs 55.0 cr left PBT at just Rs 1.72 cr and PAT at Rs 0.33 cr (EPS Rs 0.29) against a Rs 7.3 cr loss in FY25. The company itself notes that an Rs 8.2 cr interest-subsidy grant for Halol is what produced the marginal profit. EBITDA margin was 14% in FY22 and PAT Rs 131 cr; the fall is the cost of the panel-products build-out.

Segment reporting is stark. Laminates (Rs 1,753 cr external revenue, 70%) earned Rs 219.4 cr before interest and tax; panel products and furniture (Rs 608 cr, 24%) lost Rs 119.8 cr; potato flakes (Rs 83 cr) lost Rs 13.6 cr; unallocable items another Rs 29.3 cr. Exports were Rs 735 cr, 29% of revenue, no customer above 10%. Management says Halol 'is expected to scale up to the appropriate levels to drive a profitable growth in future' and launched Marine Board, a moisture-resistant engineered panel, in FY26.

Financials (Rs Cr)

	FY25	FY26
Revenue	2,301.39	2,520.56
EBITDA	159.09	184.04
Profit after tax	-7.32	0.34
EPS (Rs)	-6.55	0.30
Net worth	1,356.98	1,358.23
Debt / equity	0.52	0.43
OPM %	6.9%	7.3%
ROE %	-0.5%	0.0%

Revenue CAGR +9.5% - Profit CAGR n/a - figures from filed accounts where available; see the verification notes on the website.

Shareholding

Holder	Category	Shares (Cr)	%
Lohia family, HUFs and six family trusts (promoter group)	Promoter	1.06	95.2%
Public and other shareholders	Public	0.05	4.8%

Board and management

Name	Designation	Since
Prakash Lohia	Chairman & Managing Director	01 Mar 2026
Prasan Lohia	Whole-time Director	01 Oct 2025
Ruchira Lohia	Whole-time Director	01 Apr 2026
Bikash Lohia	Whole-time Director	01 Oct 2006
Madhusudan Lohia	Whole-time Director	01 Oct 2006
Deepak Lohia	Whole-time Director	01 Dec 2020
Manoj Lohia	Whole-time Director	01 Dec 2020
Nripen Kumar Dugar	Whole-time Director	25 Sept 2025

Anil Jajoo	Whole-time Director	23 Feb 2026
Prabal Kumar Sarkar	Independent Director	01 Apr 2025
Bama Prasad Mukhopadhyay	Independent Director	01 Apr 2025
K. T. Prasad	Non-Executive Director	17 Aug 2025
Sachin Selot	Chief Financial Officer	07 Dec 2020
Bala Ji	Company Secretary	01 Apr 2025

MCA registry snapshot

CIN
U51909WB1965PLC026556

STATUS
Active

AUTHORISED CAPITAL
Rs 19.75 Cr

PAID-UP CAPITAL
Rs 11.28 Cr

LAST AGM
25 Sept 2026

LAST BALANCE SHEET
31 Mar 2026

Date	Form	Description	Status
25 Sept 2026	AOC-4	Financial statements FY2025-26 adopted at the 61st AGM (held by VC); f	Pending
25 Sept 2026	MGT-7	Annual return FY2025-26; to be hosted at merinogroup.com/investor/fina	Pending
23 Jul 2025	CHG-4	Satisfaction of Kotak Mahindra Bank charge of Rs 23 cr	Approved
22 Apr 2025	CHG-4	Satisfaction of Axis Bank charges of Rs 190 cr and Rs 90 cr (Halol term lo	Approved

Original filings (AOC-4 accounts, MGT-7 returns, charges) can be downloaded from the MCA21 portal under this CIN for a nominal fee; offer documents are on SEBI's site.

Reports and documents

Document	Type	Period	Where
Annual Report FY2025-26 (61st AGM)	Annual Report	FY26	Download on the website

Strengths

- Market leadership in laminates: the segment generated Rs 1,753 cr of external revenue and Rs 219.4 cr of EBIT in FY26 (12.5% segment margin on gross segment revenue of Rs 1,859 cr), with 83% capacity utilisation and a 1,400-design portfolio.
- Diversified demand: exports of Rs 735 cr (29% of revenue, forex inflow Rs 719 cr) across 80+ countries and no customer above 10% of revenue in FY26 or FY25.
- Backward integration and energy self-sufficiency: in-house resins/chemicals, 29 MWp of captive renewable capacity, Halol on 100% non-fossil thermal energy and the Humraahi agroforestry programme (30.55 million saplings on 30,557 acres) securing wood for panels.
- Cash generation is intact beneath the thin P&L: operating cash flow of Rs 236.7 cr in FY26 (Rs 93.3 cr in FY25) covered Rs 55 cr capex and cut gross bank debt by Rs 119 cr to Rs 583 cr; current ratio improved to 1.19x and receivable days to 26.
- Heavy investment phase is largely behind it: PPE of Rs 1,181 cr and CWIP of only Rs 31 cr, capital commitments of Rs 4.8 cr; Halol (particle board, pre-lam, furniture) is commissioned and scaling, with Marine Board launched in FY26.
- Clean audit and compliance record: unqualified statutory, secretarial and internal-controls reports, no fraud reported, no cash losses in either year, dividends paid every year including the FY25 loss year.
- Book value of Rs 1,215 per share and 60 years of operating history give a tangible floor; the Rs 2,575 board rate is 2.1x filed book against 5-7x for listed laminate peers.

Risks

- Earnings have collapsed: PAT fell from Rs 131.4 cr (FY22) and Rs 121.5 cr (FY24) to a Rs 7.3 cr loss in FY25 and Rs 0.33 cr in FY26; ROE is 0.02% and the FY26 profit exists only because of Rs 8.2 cr of amortised Halol interest subsidy (PBT ex-grant about -Rs 6.5 cr).
- Panel products and furniture lost Rs 119.8 cr before interest in FY26 (Rs 121.6 cr in FY25) on Rs 608 cr revenue and absorbs Rs 1,046 cr of segment assets (43% of the balance sheet); there is no disclosed timeline for break-even and segment depreciation alone is Rs 62 cr a year.
- Valuation: at Rs 2,575 the market cap is about Rs 2,879 cr, EV about Rs 3,426 cr, i.e. 18.6x FY26 EBITDA, 1.14x sales and roughly 8,700x FY26 earnings; even on the FY22-FY24 average PAT of Rs 124 cr the P/E would be 23x. Dividend yield is 0.04%.
- Leverage and covenants: gross borrowings Rs 583 cr plus Rs 22.8 cr leases, net debt Rs 606 cr, debt-service coverage only 0.69x; HSBC's Rs 45.5 cr loan is in covenant breach (lender has not yet demanded repayment) and ICICI's Rs 190 cr Halol loan starts amortising in October 2026 after a moratorium.

- Governance concentration: promoters own 95.22%, ten of thirteen directors are executives (eight Lohias), only two are independent; directors' remuneration of Rs 18.9 cr plus Rs 2.0 cr salaries to relatives in a Rs 0.3 cr profit year; group entities supplied Rs 26.1 cr of materials, Rs 15.2 cr of rent and Rs 4.7 cr of marketing services, lent Rs 21.1 cr unsecured, and carry Rs 56.1 cr of company guarantees (Rs 50 cr for KBGB Agritech).
- Contingent liabilities of Rs 259.6 cr (income-tax demands Rs 77.6 cr, GST Rs 50.3 cr up from Rs 8.7 cr, excise/customs Rs 33.5 cr, guarantees Rs 77.9 cr) and an EPCG export obligation of Rs 300.4 cr still to be certified; CARO notes slight delays in statutory-dues deposits and three charges not yet satisfied with the RoC, one dating to 1982.
- Working capital is heavy: inventory of Rs 665.7 cr (181 days) and treasury investments of Rs 110 cr sitting alongside Rs 583 cr of debt; interest cost of Rs 55 cr equals 30% of EBITDA.
- Liquidity of the share: 4.78% public float (about 5.3 lakh shares), no listing plan, three-year lock-ins on director reappointments; the audit trail at SAP database level could not be confirmed by the auditor (Note 56).

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