



Ramp-up in Execution will Drive Revenue Growth

Est. vs. Actual for Q4FY26: Revenue – **INLINE**; EBITDA Margin – **MISS**; PAT – **MISS**

Change in Estimates post Q4FY26

FY27E: Revenue: -1%; EBITDA: -5%; PAT: 1%

Recommendation Rationale

- Robust Order Book to Drive Growth:** The company has an order book of Rs 21,096 Cr (as of 31st March, 2026), providing revenue visibility for the next 2.5–3 years. The order book is composed of Hospital at 6% (Rs 1,325 Cr), Commercial at 18% (Rs 3,719 Cr), Institutional at 6% (Rs 1,250 Cr), Residential at 40% (Rs 8,367 Cr), Infrastructure at 30% (Rs 6,301 Cr), and Hotel at 1% (Rs 134 Cr). By geography, East constitutes 16%, North 54%, West 22%, South 8%, and Overseas 1%. Accordingly, ACIL is expected to deliver revenue growth of 17% CAGR over FY26–FY28E.
- Strong Order Inflow:** The company reported robust order inflows of Rs 10,257 Cr in FY26 and currently holds L1 status for 2 projects aggregating Rs 1,621 Cr, indicating a healthy near-term order-conversion pipeline. The current bidding pipeline stands at approximately Rs 8,000 Cr. For FY27, management has indicated a relatively moderate order inflow target of Rs 8,000 Cr, as the strategic focus shifts toward improving execution efficiency, enhancing margins, and ensuring timely completion of existing projects.
- Ramp-up from Q2FY27 Onwards:** Management expects a significantly stronger H2FY27 after a slow Q1 impacted by election- and festival-related labour shortages. Revenue growth is expected to be driven by the ramp-up of large projects, particularly the Central Vista project, which has commenced execution and is targeted to contribute around Rs 1,000 Cr of revenue in FY27. Management expects operating margins to improve, supported by a balanced mix of private- and public-sector projects, favourable project geography, and escalation clauses covering material cost fluctuations across 89% of the order book.

Sector Outlook: Cautiously Optimistic

Company Outlook & Guidance: For FY27, revenue growth of 15-20% is expected, with 10% and above EBITDA margins.

Current Valuation: 15x FY28E EPS (Earlier Valuation: 19x FY27E EPS).

Current TP: Rs 915/share (Earlier TP: Rs 915/share)

Recommendation: We maintain our **BUY** rating on the stock and rollover our estimates to FY28.

Financial Performance

Ahluwalia Contracts India Ltd. (ACIL) reported revenue of Rs 1,322 Cr (up 9% YoY) and EBITDA of Rs 124 Cr (flat YoY). It posted a PAT of Rs 80 Cr (down 4% YoY). EBITDA margins stood at 9.4% in Q4FY26 (our estimate: 10.5%) compared to 10.2% in Q4FY25.

Outlook: Given its large executable order book and favourable attributes—including a healthy bidding pipeline, steady order inflows, an asset-light operating model, and emerging opportunities in the construction space—ACIL is well-positioned to generate healthy cash flows and is expected to deliver revenue/EBITDA/PAT growth of 17%/23%/24% CAGR over FY26–FY28E.

Valuation & Recommendation: The stock is currently trading at 16x/13x FY27E/FY28E EPS. We maintain our **BUY rating on the stock**, valuing the company at 15x FY28E EPS, with a TP of Rs 915/share, which implies a 20% upside from the CMP.

Key Financials (Standalone)

(Rs Cr)	Q4FY26	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	1,322	25%	9%	1,362	-3%
EBITDA	124	28%	0%	143	-13%
EBITDA Margin	9.4%	28bps	-81bps	10.5%	-114bps
Net Profit	80	48%	-4%	87	-8%
EPS (Rs)	12	48%	-4%	13	-8%

Source: Company, Axis Securities Research

(CMP as of 1st June, 2026)

CMP (Rs)	762
Upside /Downside (%)	20%
High/Low (Rs)	1129 / 645
Market cap (Cr)	5131
Avg. daily vol. (6m) Shrs.	110635
No. of shares (Cr)	6.7

Shareholding (%)

	Sep-25	Dec-25	Mar-25
Promoter	55.3	55.3	55.3
FIIs	12.9	13.5	13.7
MFs / UTI	23.4	23.1	21.8
Banks / FIs	0.0	0.0	0.0
Others	8.4	8.1	9.1

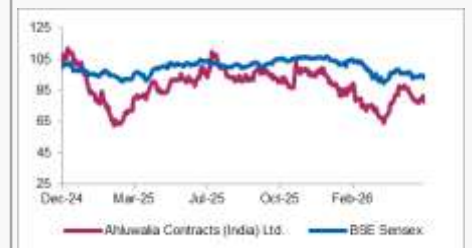
Financial & Valuations

Y/E Mar (Rs Cr)	FY26	FY27E	FY28E
Net Sales	4,565	5,387	6,249
EBITDA	435	539	656
Net Profit	265	324	408
EPS (Rs)	39	48	61
PER (x)	19	16	13
P/BV (x)	2.5	2.1	1.8
EV/EBITDA (x)	12	9	8
ROE (%)	14%	15%	16%

Change in Estimates (%)

Y/E Mar	FY27E
Sales	-1%
EBITDA	-5%
PAT	1%

Relative Performance



Source: Ace Equity, Axis Securities Research

Results Gallery

[Q3FY26](#)

[Q2FY26](#)

[Q1FY26](#)

[Q4FY25](#)

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Key Concall Highlights

- **Order Book:** The company has an order book of Rs 21,096 Cr (as of 31st March, 2026). The order book is composed of Hospital at 6% (Rs 1,325 Cr), Commercial at 18% (Rs 3,719 Cr), Institutional at 6% (Rs 1,250 Cr), Residential at 40% (Rs 8,367 Cr), Infrastructure at 30% (Rs 6,301 Cr), and Hotel at 1% (Rs 134 Cr). The Central Government, State Government, and Private segments account for 29%, 10%, and 61%, respectively, with the balance from overseas projects.
- **Order Inflow:** The company reported order inflows of Rs 10,257 Cr in FY26 and holds L1 status in 2 projects worth Rs 1,621 Cr. For FY27, management had guided for order inflows of Rs 8,000 Cr.
- **Capex:** The company incurred a Capex of Rs 174 Cr in FY26 and targets Rs 300 Cr in FY27. It is actively investing in heavy mechanisation—such as tower cranes and passenger hoists—to navigate persistent skilled labour shortages and handle the increasing scale and complexity of its building projects.
- **As of 31st March, 2026:** Unbilled revenue stood at Rs 678 Cr, retention money at Rs 450 Cr, and mobilisation advance at Rs 802 Cr.

Key Risks to Our Estimates and TP

- Delay in execution may impact revenue growth.
- Higher commodity prices may hurt margins.

Change in Estimates

	New		Old		% Change	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Sales	5,387	6,249	5,448	0	-1%	NA
EBITDA	539	656	567	0	-5%	NA
PAT	324	408	322	0	1%	NA

Source: Company, Axis Securities Research

Result Review Q4FY26

(Rs Cr)	Quarterly Performance				
	Q4FY26	Q3FY26	Q4FY25	% Change (QoQ)	% Change (YoY)
Sales	1,322	1,061	1,216	25%	9%
Other Op. Inc	0	0	0		
Total Revenue	1,322	1,061	1,216	25%	9%
Expenditure					
Cost of material consumed	592	399	544	49%	9%
Construction expenses	81	72	82	12%	-1%
Subcontract work	389	354	346	10%	12%
Employee Cost	112	116	93	-3%	21%
Other Expenses	24	24	27	2%	-11%
Total Expenditure	1198	964	1092	24%	10%
EBITDA	124	96	124	28%	0%
EBITDA margin	9.4%	9.1%	10.2%	28bps	-81bps
Oth. Inc.	25	15	18	67%	41%
Interest	12	11	13	9%	-4%
Depreciation	29	26	17	10%	69%
PBT	108	74	112	46%	-3%
Tax	28	20	29	41%	-2%
Exceptional Item	0	0	0		
PAT	80	54	83	48%	-4%
EPS (Rs)	12.0	8.1	12.4	48%	-4%

Source: Company, Axis Securities Research

Financials (Standalone)

Profit & Loss

(Rs Cr)

Y/E March	FY25	FY26	FY27E	FY28E
Net sales	4,099	4,565	5,387	6,249
Other operating income	0	0	0	0
Total income	4,099	4,565	5,387	6,249
Cost of materials consumed	1,799	1,894	2,343	2,687
Changes in Inventories of Work-In-Progress	0	0	0	0
Construction expenses	1,521	1,702	1,993	2,312
Contribution (%)	19.0%	21.2%	19.5%	20.0%
Other Expenses	437	534	512	594
Operating Profit	342	435	539	656
Other income	55	71	65	81
PBIDT	397	506	603	737
Depreciation	67	98	115	134
Interest & Fin Chg.	58	50	54	56
Exceptional Item	0	0	0	0
Pre-tax profit	273	358	435	548
Tax provision	71	93	111	140
PAT	202	265	324	408

Source: Company, Axis Securities Research

Balance Sheet

(Rs Cr)

Y/E March	FY25	FY26	FY27E	FY28E
Capital Applied	3,706	4,265	4,822	5,455
Net Block	366	538	724	790
CWIP	7	6	6	6
Right-of-use asset	6	10	10	10
Investment Property	84	80	80	80
Wkg. cap. (excl cash)	277	261	496	579
Cash / Bank balance	964	817	663	858
Other assets	2003	2552	2843	3132
Capital employed	3,706	4,265	4,822	5,455
Equity capital	13	13	13	13
Reserves	1787	2047	2370	2778
Minority Interests	0	0	0	0
Borrowings	14	4	4	4
Other Liabilities	1892	2201	2434	2659

Source: Company, Axis Securities Research

Cash Flow
(Rs Cr)

Y/E March	FY25	FY26	FY27E	FY28E
PBT	272	358	435	548
Depreciation	67	98	115	134
Interest Expense	38	34	54	56
Changes in Working Capital	119	-42	-293	-147
Others	-38	-69	-65	-81
Tax Paid	-99	-97	-111	-140
Net Cash from Operations	360	281	134	369
Capex	-189	-266	-300	-200
Investment	0	0	0	0
Others	-134	9	65	81
Net Cash from Investing	(323)	(257)	(235)	(119)
Borrowings	-31	-10	0	0
Interest Expense	-15	-16	-54	-56
Others	-7	-8	0	0
Net Cash from Financing	(52)	(34)	(54)	(56)
Net Change in Cash	(16)	(10)	(155)	194
Opening cash	334	319	309	154
Closing cash	319	309	154	348

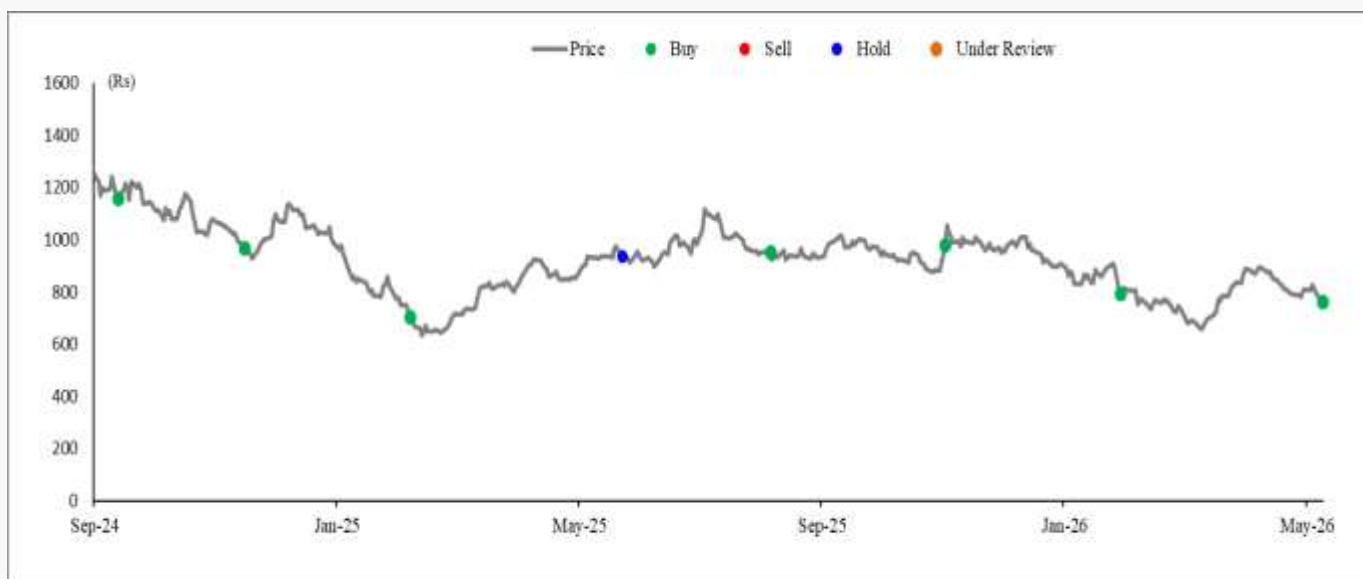
Source: Company, Axis Securities Research

Ratio Analysis
(%)

Y/E March	FY25	FY26	FY27E	FY28E
Growth Indicator				
Sales Growth	6%	11%	18%	16%
EBITDA Growth	-12%	27%	24%	22%
PAT Growth	-46%	31%	22%	26%
Profitability Ratio				
EBITDA Margin	8.3%	9.5%	10.0%	10.5%
Adjusted net margin	4.9%	5.8%	6.0%	6.5%
Efficiency Ratio				
Capital Turnover	2.3	2.2	2.3	2.2
Total Asset Turnover	1.8	1.8	1.9	1.9
Fixed Asset Turnover	11.0	8.4	7.4	7.8
Debtor days	70	59	70	70
Inventory days	33	30	33	33
Payable days	74	72	74	74
Cash Conversion Cycle (days)	30	17	30	30
Leverage Ratios				
Debt to equity	0.01	0.00	0.00	0.00
Net debt to equity	-0.53	-0.39	-0.28	-0.31
Interest coverage	6	9	10	12
Per Share Data				
Diluted EPS (Rs)	30	39	48	61
Book value per share (Rs)	269	308	356	417
DPS (Rs)	0.0	0.0	0.0	0.0
Return Ratios				
Return on equity	12%	14%	15%	16%
Return on capital employed	15%	17%	18%	19%
Valuation Ratio				
P/E	33	19	16	13
P/BV	3.7	2.5	2.1	1.8
EV/EBITDA	19.2	11.7	9.5	7.8
Cash Flow Ratio (%)				
OCF/EBITDA	105%	65%	25%	56%
OCF/Sales	9%	6%	2%	6%
FCF/Sales	4%	0%	-3%	3%
OCF/ROIC	359%	229%	79%	192%

Source: Company, Axis Securities Research

Ahluwalia Contracts India Ltd Price Chart and Recommendation History



Date	Reco	TP	Research
16-Sep-24	BUY	1,340	Company Update
19-Nov-24	BUY	1,090	Result Update
13-Feb-25	BUY	860	Result Update
03-Jun-25	HOLD	945	Result Update
19-Aug-25	BUY	1,050	Result Update
18-Nov-25	BUY	1,085	Result Update
17-Feb-26	BUY	915	Result Update
02-Jun-26	BUY	915	Result Update

Source: Axis Securities Research

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