

Kiri Oilfield Services Private Limited

February 26, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	95.92	CARE BB+; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BBB-; Stable and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	37.90	CARE A4+; ISSUER NOT COOPERATING*	Downgraded from CARE A3 and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Kiri Oilfield Services Private Limited (KOSPL) to monitor the ratings vide e-mail communications dated February 12, 2026, February 11, 2026, February 05, 2026, January 27, 2026, January 21, 2026, among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the ratings on the basis of the best available information which however, in CareEdge Rating's opinion is not sufficient to arrive at a fair rating. The ratings on KOSPL's bank facilities will now be denoted as **CARE BB+; Stable/CARE A4+; ISSUER NOT COOPERATING***.

Users of this ratings (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Ratings assigned to the bank facilities of KOSPL have been revised on account of non-availability of the complete solicited information to conduct the review. Further, the ratings continue to remain constrained by its limited track record in oil and gas segment and drilling rigs business, presence in competitive rigs service business which is also susceptible to volatile day rates due to its linkages with crude oil prices and high competition in oil and gas industry. Ratings take cognizance of deterioration in capital structure and moderate debt coverage indicators. However, ratings continue to derive strength from its experienced and resourceful promoters, diversified revenue profile and established track record in service industry. Ratings further derive strength from moderate scale of operations with healthy profitability margins in FY25 (audited, FY refers to April 01 to March 31). Ratings also factor in good business prospects for oil and gas service providers considering revised hydrocarbon licensing and exploration policy.

Analytical approach: Standalone

Outlook: Stable

CareEdge Ratings expects the company would be able to maintain its risk profile in the medium term, considering its established operations in service segment and diversified revenue profile.

Detailed description of key rating drivers:

At the time of last rating on January 06, 2025, the following were the rating weaknesses and strengths (updated for the information available from FY25 audit report).

Key weaknesses

Deterioration in capital structure and moderate debt coverage indicators

The company's capital structure deteriorated marked by overall gearing of 1.20x as on March 31, 2025 (PY: 0.85x). The company's net worth stood at ₹91.71 crore as on March 31, 2025, which includes unsecured loans from promoters worth ₹22 crore as on March 31, 2025, as this is subordinated to bank debt per bank sanction terms. Debt coverage indicators remained moderate with interest coverage ratio of 4.24x (PY: 4.18x) and TD/GCA of 4.00x (PY: 2.52x) for the year ended on March 31, 2025.

Limited track record in oil and gas segment

KOSPL entered production enhancement contract for oil fields of Oil India Limited with AMCD for the Rajgarh and Bordubi fields for 15 years. Under this contract, KOSPL will get operational expenses for maintaining baseline production and get additional revenue for increasing production. There was delay in implementation of the project which the management expected to commence from FY26 onwards. Also, there is a risk associated with availability of oil and gas on the location and is linked to crude

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

oil prices. Given that KOSPL has limited experience in the industry, returns from this business segment by ramping-up of revenue from oil and gas segment and its bearing on overall financial risk profile is a key credit monitorable.

Limited track record in drilling rigs business

KOSPL entered the drilling rig business with the acquisition of three rigs in FY23 and up to H1FY25, the company had generated approximately ₹97 crore in revenue from this segment. However, it has under-achieved the projections for FY24 due to delay in deployment of one of the oil drilling rigs.

Intense competition in the rigs service business which is also susceptible to volatile day rates due to its linkages with crude oil prices and high competition in oil and gas industry

Drilling rigs service orders are availed through tendering; hence it remains exposed to competition in the industry. The company also remains exposed to the risk of non-renewal of contracts on their expiry which is, however, inherent in the oil and gas industry as it is linked to the capex and growth plans of the major oil and gas E&P companies. The company also remains exposed to risks associated with volatility in day rates of rigs, which largely move in tandem with crude oil prices and hence are volatile. KOSPL is a small-sized player operating in intensely competitive and fragmented industry, where projects are awarded based on relevant experience of the bidder, financial capability, and most attractive bid price. The competitive intensity is considering the presence of large number of contractors resulting in aggressive bidding which restricts the margins. Due to low counterparty credit risk and a relatively stable payment track record associated with projects funded by central and state government bodies, these projects are lucrative for contractors and hence remained highly competitive.

Key strengths

Experienced and resourceful promoters

Lalit Kumar Kiri, the company's managing director possesses over two decades of experience in the industry and Ramchand with four decades of industry experience and Pawan Kumar with almost two decades of industry experience. KOSPL is further supported by experienced second tier management. Promoters and related parties are resourceful and has supported the operations through infusion of interest-bearing unsecured loans which stood at ₹22.19 crore as on March 31, 2025.

Diversified revenue profile with established track record in service industry

KOSPL generates its revenue from service segment, trading, construction segment, drilling rigs, and oil and gas segment which contributed 49%, 13%, 7%, 20% and 10% of its TOI in FY24, respectively. KOSPL has long track record of operations in providing services to oil and gas industry including construction and supply of portable bunkhouse, construction equipment rental services, transportation vehicle, catering services and manpower services. Over the years it has developed asset base and established relation with its clients, however, it generates majority of its service income from Barmer, Rajasthan and nearby areas. In October 2020, the company entered into joint venture agreement with Vishnu Prakash R Punglia Limited (VPRPL; rated CARE BB+; Negative / CARE A4+) under the name "VPRPL-KOSPL HARRA JV" for construction and maintenance of water supply project at Kadara, Newari and Harra in Uttar Pradesh. KOSPL has completed construction works of ₹102.22 crore till FY24 out of total project cost of ₹136 crore. From FY23 onwards, the company forayed into drilling rigs service for oil and gas exploration industry. It is expected that proportion of revenue from drilling rigs business will increase going forward.

Moderate scale of operations with healthy profitability margins

KOSPL's scale of operations marked by TOI remained stable at ₹171.57 crore in FY25 against ₹163.32 crore in FY24. KOSPL maintained its healthy profitability marked by PBILDT margin ~25% in FY23-FY25 as against ~20% during previous years mainly due to increased proportion of the revenue from the drilling rig services which has comparatively higher margin.

Good business prospects for oil and gas service providers, considering revised hydrocarbon licensing and exploration policy

Government of India aims at reducing the country's dependence on oil imports which remains high at ~88% in FY25. The government has taken several steps to enhance exploration and production (E&P) of oil and gas in the country such as Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetisation of hydrocarbon discoveries, formulation of revised licensing policy by replacing New Exploration and Licensing Policy (NELP) with Hydrocarbon Exploration and Licensing Policy (HELP), Open Acreage Licensing Policy (OALP), Policy for early monetisation of Coal Bed Methane, Setting up of National Data Repository among others. The government also launched the Discovered Small Field (DSF) policy which aims to bring marginal fields, unmonetized discoveries and relinquished discoveries into production on priority basis. This policy initiatives are likely to increase the pace of E&P activities and thus likely to bring additional business opportunities for players such as KOSPL.

Liquidity: Stretched

Liquidity position remained stretched marked by elongation in operating cycle and dip in CFO in FY25. KOSPL reported CFO of ₹13.50 crore in FY25 (PY: ₹43 crore). The company's operating cycle elongated and remained at 81 days in FY25 from 56 days in FY24 owing to higher receivables.

Applicable criteria

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Energy	Oil, Gas & Consumable Fuels	Oil	Oil Equipment & Services

KOSPL (formerly known as Kiri and Company Logistics Private Limited) was initially formed by Lalit Kumar Kiri in 2002 as a proprietorship company. In 2011, Lalit Kumar Kiri, Pawan Kumar and Ram Chand reconstituted the firm as a company. The company has presence in oil and gas sector including services to oil and gas companies (portable bunkhouse, catering, manpower and equipment leasing), drilling rig and production of crude oil and natural gas from marginal fields. The company is also engaged in engineering procurement and construction (EPC) work of water supply project and trading agri-commodities.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	163.32	171.57
PBILDT*	41.32	41.97
Profit after tax (PAT)	11.91	12.03
Overall gearing (x)	0.85	1.20
Interest coverage (x)	4.18	4.24

A: Audited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: CRISIL had reviewed ratings of KOSPL under Issuer not cooperating category vide press release dated November 24, 2025, on account of its inability to carry out a review in the absence of the requisite information from the company.

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Bank Overdraft		-	-	-	24.04	CARE BB+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	31/12/2031	71.88	CARE BB+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	37.90	CARE A4+; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	71.88	CARE BB+; Stable; ISSUER NOT COOPERATING *	-	1)CARE BBB-; Stable (06-Jan-25)	1)CARE BBB-; Stable (09-Oct-23)	1)CARE BB+; Positive (21-Nov-22) 2)CARE B; Stable; ISSUER NOT COOPERATING * (17-Jun-22)
2	Fund-based - LT-Bank Overdraft	LT	24.04	CARE BB+; Stable; ISSUER NOT COOPERATING *	-	1)CARE BBB-; Stable (06-Jan-25)	1)CARE BBB-; Stable (09-Oct-23)	1)CARE BB+; Positive (21-Nov-22) 2)CARE B; Stable; ISSUER NOT COOPERATING * (17-Jun-22)
3	Non-fund-based - ST-Bank Guarantee	ST	37.90	CARE A4+; ISSUER NOT COOPERATING *	-	1)CARE A3 (06-Jan-25)	1)CARE A3 (09-Oct-23)	1)CARE A4+ (21-Nov-22) 2)CARE A4; ISSUER NOT COOPERATING * (17-Jun-22)
4	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	-	-	-	1)Withdrawn (06-Jan-25)	1)CARE BBB-; Stable / CARE A3 (09-Oct-23)	1)CARE BB+; Positive / CARE A4+ (21-Nov-22)

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Bank Overdraft	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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