Company Name: **Asian Energy Services Ltd**

EASTERN FINANCIERS LTD
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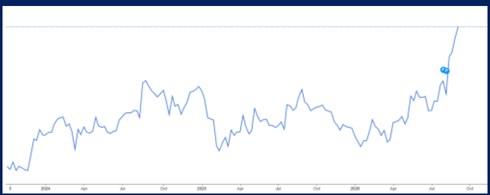
CMP: ₹535 (as on 11th Sep 2026)	M Cap: ₹2,605 Cr.	Target: ₹691

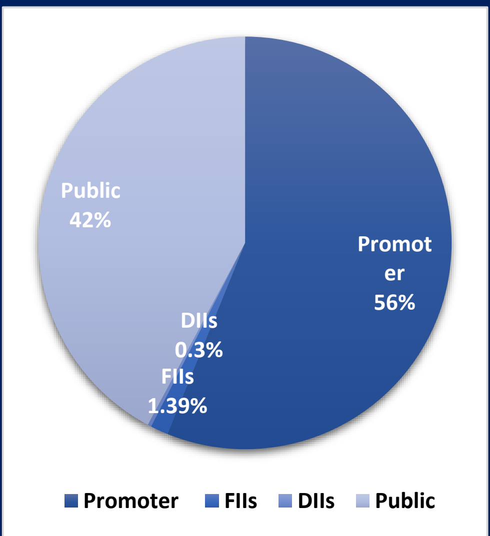
Key Information*##

NSE Code	ASIANENE
BSE Code	530355
Shares o/s (Cr)	4.86
FV (₹)	10
Latest EPS (TTM) ₹	12.62
Latest PE Ratios (x)	40.3
Latest BV ₹	110
51 Wk H (₹)	566
52 Wk L (₹)	230

3-Year Price Chart*



Shareholding Pattern Jun'26



Source: EFL Research, Company Investor Presentation

Asian Energy Services Ltd. (AESL) is an integrated energy and infrastructure services company offering a diversified range of solutions across the oil & gas, mining and broader energy sectors. Its capabilities span onshore geophysical and seismic services, including 2D and 3D seismic data acquisition, imaging, field evaluation and drilling services.

Through its subsidiaries and joint ventures, the company provides EPC, O&M and integrated field services across the oil & gas, mining and energy sectors. It offers end-to-end upstream oil & gas capabilities, from exploration and seismic data acquisition to field development and O&M, while diversifying beyond its traditional seismic business into higher-growth, recurring service segments.

Investment Rationale

Strategic evolution of the business model

The company has strategically evolved from a seismic data acquisition-focused company into a diversified, integrated energy services platform. Historically, it was dependent on project-based 2D/3D seismic contracts, now it has expanded into oil & gas services, operations & maintenance (O&M), EPC and mineral infrastructure, reducing its reliance on the cyclical seismic business. The acquisition of Kuiper Group further strengthened its O&M capabilities and provides an international operating footprint across key energy markets. The proposed integration with Oilmax Energy marks the next phase of this evolution by combining its energy services capabilities with upstream oil & gas assets, creating a more integrated business model with greater revenue diversification and recurring income potential.

This has also helped it to create a diversified revenue base thereby aiding it to insulate the business from a downturn in any segment and increase scale on a steady basis.

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Kuiper Group acquisition

It acquired 100% of UAE-based Kuiper Group from Gulf Capital for ~US$9.3 million in August 2025, in an all-cash transaction. Kuiper provides specialised manpower and integrated workforce solutions to the energy sector across 15+ markets in the Middle East and Southeast Asia.

The acquisition is asset-light and strategically complementary, providing AESL with an established talent pool, client network and operational footprint while strengthening its O&M capabilities. Kuiper currently generates ~US$60–70 million in annual revenue at ~8% margins, with management targeting ~US$100 million by FY29. It also provides a platform to expand into marine services, offshore construction and cable-related services, with Africa, particularly Nigeria, being evaluated as a potential growth market.

Steady order book

As on 30th June 2026, its standalone order book (ex-Kuiper and ex-Oilmax) stood at ~₹1754 cr, with ~60% contribution from Oil & Gas, ~ 40 % from Mineral services providing good revenue visibility for 2–3 years. Its active bidding for new tenders is ~₹3,000-4,000 cr. Management has indicated that a significant portion of FY27 growth is supported by the existing order book and L1 contracts, reducing dependence on immediate fresh order inflows.

Marquee clientele

The company has a diversified client base comprising major Indian PSUs, private-sector conglomerates, and international energy companies. Key domestic clients include ONGC, Oil India, GAIL, CMPDIL, ECL, SCCL, RITES, Reliance Industries, Cairn Oil & Gas (Vedanta), L&T, Essar, Jubilant Enpro. Internationally, the company is pre-qualified or engaged with global energy players such as Chevron, Marathon Oil, Hess, TotalEnergies, Gazprom, Genel Energy, Petronas, and DNO.

Diversification reduces historical business volatility

The company has reduced its reliance on the cyclical seismic business, with its revenue contribution falling from 41% in FY24 to 15% in FY25. Expansion into O&M, EPC, coal and mineral handling, along with the Kuiper acquisition and proposed Oilmax merger, has broadened revenue streams, improved visibility and reduced concentration and cyclicality.

Strong FY27 guidance

Management has guided for 30–40% growth in the standalone India services business during FY27, supported by order execution and a strong opportunity pipeline. Importantly, the growth outlook is accompanied by expectations of margin improvement, which could translate revenue expansion into stronger earnings growth.

Industry tailwind through Government initiative 'Samudra Manthan'

Under the Samudra Manthan Mission (Phase I outlay of ~₹84,084 crore), ₹28,500 cr has been allocated towards offshore data acquisition, including ₹12,500 crore specifically earmarked for 3D seismic surveys. Because the first layer of the Samudra Manthan

Scheme relies heavily on extensive offshore mapping and seismic imaging, this could emerge as a significant demand catalyst for prominent players like Asian Energy.

Risks

Working capital intensity and cash flow pressures
It faces high working capital intensity, driven by elongated Gross Current Asset (GCA) days and elevated receivable periods. Delays in receiving payments from clients, particularly state-owned enterprises, frequently stretch debtor days. Consequently, cash flows from operations can turn negative during periods of significant project execution, requiring reliance on short-term credit lines or internal accruals to meet short-term.

Tender-Based operations and order-book dependency
The company operates heavily on a competitive, tender-based bidding model. Business growth relies directly on winning new contracts from PSUs and private sector exploration companies. Delays in government approvals, policy shifts, or cutbacks in upstream capital expenditure by major energy players can lead to sudden drops in order inflows and revenue volatility.

Upstream sector cyclicality and commodity price sensitivity
The oilfield services, seismic exploration, and coal and energy infrastructure businesses are closely influenced by global crude oil prices and overall investment in the energy sector. A sustained decline in oil and gas prices can lead client companies to reduce their exploration and production (E&P) spending, thereby lowering demand for AESL's seismic and drilling services.

Valuations & Recommendation

The company's outlook remains positive, supported by its ongoing transformation from a predominantly cyclical seismic services company into a diversified integrated energy and infrastructure services platform.

The expansion into international O&M services through the Kuiper Group acquisition, along with the proposed merger with Oilmax Energy, is expected to enhance the company's scale, geographical presence and revenue diversification. A growing contribution from long-duration O&M, mining and infrastructure projects could improve revenue visibility and reduce dependence on the cyclical seismic exploration business.

The company is transitioning from a relatively project-based domestic services company into a diversified integrated energy platform with three growth engines—domestic energy services, global O&M/manpower services through Kuiper, and upstream asset ownership through Oilmax.

However, successful execution of large projects, effective integration of acquired and merged businesses, sustained capital expenditure in the energy sector, and the company's ability to translate its expanded scale into consistent profitability and cash-flow generation remain key monitorable factors.

We value the company based on FY28E EPS of ₹28.81 per share and assign a forward P/E multiple of 24x, recommending a BUY with a target price of ~₹691.

Financials

Particulars (₹ cr)	Q1 FY27	Q1 FY26	YoY	Q4 FY26	QoQ	FY25	FY26	FY27E	FY28E
Operating Revenue	271	115	135%	338	-19.8%	465	791	1100	1400
EBIDTA	21	11	85%	48	-55.7%	66	95	150	196
EBIDTA Margin	7.8%	9.9%		14.1%		14.2%	12.1%	13.6%	14.0%
Profit for the Period	12	5	138%	31	-61.4%	36	48	93.5	140
EPS (₹ Dil.)	4.27	2.45	-17.6%	2.26	-12.1%	8.01	10.93	19.24	28.81

Sources: NSE, Mint, ET, Yahoo Finance, Investing.Com & CNBC TV18, EFL Research

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