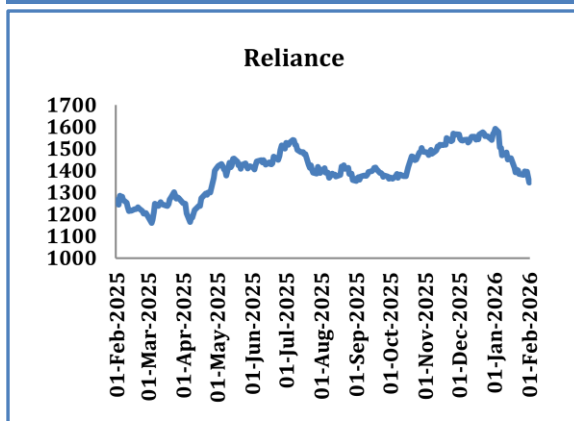


RELIANCE INDUSTRIES LTD

Industry	Refineries
No. of Shares (Crore)	1,353.24
Face value (Rs.)	10.00
Mkt. Cap (Rs. Crore)	18,21,470.82
Price (01/02/2026)	1,346.00
Book Value (Rs)	664.66
P/BV	2.03
BSE Code	500325
NSE Code	RELIANCE
Bloomberg	RELIANCE IN
Reuters	RELI.BO
Avg. Weekly Volume (NSE)	1,73,77,640
52 W H/L (Rs)	1,611.20 / 1,115.55
Shareholding Pattern	%
Indian Promoters	50.01
Institutions	39.36
Non- Institutions	10.63
Total	100.00
(As on December 31, 2025)	
Recommendation	
BUY	


Company Background

Reliance Industries Ltd (RIL) is the largest private player in the refining, petrochemical, E&P, digital and organised retail sectors in India. While RIL's refining complex in Jamnagar is the largest in the world and among the most complex, it is also among the largest integrated petrochemical producers globally.

Q3FY26 Result

- **Digital Services, Jio Platforms:-** Revenue from operations grew 12.7% YoY to Rs 37,262 Cr while EBIDTA grew 16% YoY to Rs 19,303 Cr with margins at 51.8% as compared to 50.1% in Q3FY25. PAT increased 11% YoY to Rs 7,629 Cr. The subscriber base stood at 515.3mn (+6.9% YoY, +1.8% QoQ), while ARPU increased QoQ from Rs211.4 to Rs213.7. 5G subscribers rose QoQ to 253mn from 212mn.
- **Retail:-** Net Revenues grew 9% YoY to Rs 86,951 Cr while EBIDTA grew 2% YoY Rs 6,770 Cr with margins at 7.8%. PAT grew 2% YoY to Rs 3,558 Cr. Total store count stood at 19,979, up from 19,821 QoQ, with 431 new store openings. Total area increased to 78.1mn sq ft from 77.8mn sq ft QoQ. Growth impacted by GST rate rationalization festive demand split across Q2 & Q3 and RCPL demerger.
- **Exploration & Production:-** Net Revenues fell 8.4% YoY to Rs 5,833 Cr while EBIDTA witnessed a decline of 12.7% YoY to Rs 4,857 Cr. EBIDTA margins were reported at 83.3% as compared to 87.4% in Q3FY25. Revenue fell on account of lower volumes and price realization for KGD6 gas and condensate.
- **Oil to Chemicals:-** This segment contributes more than half of the conglomerate's revenue, saw its EBITDA improving significantly by 14.6% in Q3 to Rs 16,507 Cr. Revenue from this segment grew 8.4% to Rs 162,095 Cr. The EBIDTA improved on account of a sharp increase in transportation fuel cracks and higher Sulphur realization partially offset by weakness in downstream chemical margins and higher feedstock freight rates. Favorable ethane cracking economics and domestic market placements continued to support profitability for RIL
- **New Energy:-** RIL is on track to commission its fully integrated 10GWp annual solar manufacturing giga factory and plans to further scale it up to 20GWp. Solar module manufacturing has been successfully commissioned, while solar cell manufacturing was commissioned last quarter and is ramping up to full capacity. Construction is also underway for the 40GWh annual BESS assembly and cell manufacturing giga factories, with commissioning planned in phases during CY26.

Recommendation

Reliance Industries boasts of a diversified business model, dominant market position, and strong financial flexibility. It continues to maintain its leadership in integrated oil refining and petrochemicals, high-growth digital services (Jio) while steadily growing its footprint across retail and renewable energy segments to tap into the green energy transition. We would recommend a BUY with a target price of Rs 1,797 in the next 9-12 months' time period, thus implying a rise of 34% from the current levels.

Particulars (In Rs. Crs)	Q3FY26	Q3FY25	Var%	9MFY26	9MFY25	Var%
Net Sales	2,69,496.00	2,43,865.00	10.51	7,77,054.00	7,15,563.00	8.59
PBIDT (Excluding OI)	46,018.00	43,789.00	5.09	1,34,808.00	1,21,612.00	10.85
Net Profit	18,645.00	18,540.00	0.57	63,804.00	50,241.00	27.00
PBIDTM% (Excluding OI)	15.66	16.39	-4.45	17.35	17.00	2.06
PATM%	7.54	8.16	-7.60	9.65	8.15	18.40
Equity	13,532.00	13,532.00	-	13,532.00	13,532.00	-
EPS** (Rs.)	13.78	13.70	0.58	47.15	37.13	26.99

**RIL issued 1:1 Bonus shares in Oct 2024

*Source: Comnanv. Ace Equity. AUM Research

Segment Result Analysis

1) Jio Platforms

- **Subscriber base:-** Overall subscriber net adds came in at ~8.9m, taking the total subscriber base to 515.3m.
- **5G:-** The 5G user base expanded further to 253m (from 234m QoQ), with 5G now accounting for ~53% of overall wireless traffic. This is on account of its superior 5G network experience which has driven RJio's incremental industry VLR (Visitor Locator Registrar) net adds to 99%, over the last 12 months ending Nov'25. 5G FWA (Fixed Wireless Access) is being deployed selectively, and most of the recent net adds were on FWA-UBR, which does not face any capacity constraints.
- **Broadband:-** Home Broadband (HBB) net adds came in at ~2.5m connections, with the Jio AirFiber user base rising to ~11.5m (from 9.6m QoQ) and overall HBB connections rising to 25.3m. The HBB market share improved by ~800 bp YoY to ~41% in Nov'25, with ~70% share of incremental industry HBB net additions.
- **ARPU:-** Blended ARPU inched up ~1.1% QoQ (and ~5% YoY) to INR213.7/month (in line), driven largely by ramp-up in HBB and Enterprise services.
- **Data:-** Overall data traffic (including Fiber to Home) grew 7% QoQ (+34% YoY), driven by a rising customer base on 5G and continued FWA ramp-up. Data usage per subscriber per month rose 5% QoQ to 40.7GB/month (vs. 38.8GB/month QoQ).
- **Voice:-** Voice consumption grew ~2% QoQ (+5% YoY), with MoU per subscriber per month rising modestly to 998 mins (vs. 996 mins QoQ).
- **Digital platforms:-** Jio continues to strengthen its ecosystem through product partnerships such as Google Gemini Pro, offering an 18-month free Gemini Pro subscription to unlimited 5G users. Digital twin mapping of network towers and buildings in scope is being deployed across network planning and operations to accelerate JioAirFiber rollouts.
- **Proposed IPO:-** RIL is working internally in preparation for the JPL IPO and is awaiting final approval of the minimum IPO float from the Ministry of Finance.

2) Reliance Retail Ventures

- **Growth:-** Revenue and profit growth slowed in Q3FY26 from double-digit YoY growth rates to single digit growth due to GST rate rationalization, festive demand split across Q2 & Q3 and RCPL (Reliance Consumer Products Ltd) demerger.
- **Consumer Electronics:-** Digital stores sustained steady performance driven by year-end campaigns and GST-led price resets for air conditioners and televisions. Performance across key categories posted double digit growth, with Laptops/Mobiles/TVs/Appliances increasing by 46/38/25/19% YoY respectively. Festival of electronics, the flagship festive campaign, delivered a 32% YoY growth and registered the highest ever single-day sales on Dhanteras.
- **Fashion & Lifestyle:-** Maintained steady performance, led by festive demand, Ajio delivered steady growth driven by promotions and festive buying leading to avg. basket value increase of 21% YoY. Jewels business recorded strong performance driven by festive and wedding-related demand, resulting in a 73% YoY increase in avg bill value.
- **Grocery:-** Dairy, Frozen & Bakery grew by 23% YoY, Staples grew by 19% YoY, and Packaged Foods grew by 15% YoY. High-traction categories included Namkeen (+40%), Chocolates (+32%), Sweets (+10%), and Dry Fruits (+13%) YoY respectively. Metro continued its steady performance, driven by increase in customer footfalls and an expansion of wallet share.
- **JioMart:-** The platform crossed daily orders of 1.6mn and recorded 53% QoQ and 360%+ YoY growth in avg daily order. Customer addition of 5.9mn new customers expanded total customer base by 43% YoY. Strengthened its marketplace by growing its merchant network 22% YoY.

3) Exploration & Production

- **Maninstay:-** The E&P segment is a cornerstone of India's energy security, contributing nearly 30% of the nation's natural gas output. Partnering with BP, the segment focuses on deep water assets in the Krishna Godavari (KG) Basin (KG-D6) and Coal Bed Methane (CBM) blocks.
- **Q3FY26:-** The performance in this quarter was down on account of lower volumes and price realisation for KGD6 gas and condensate. The average price realized for KGD6 gas was \$9.65 per MMBTU in Q3 FY26 vis-vis \$9.74 per MMBTU (Million British Thermal Units) in Q3 FY25. The average price realized for CBM gas was \$9.29 per MMBTU in Q3 FY26 vis-vis \$10.58 MMBTU in Q3 FY25.
- **Coal Bed Methane(CBM):-** At CBM, the second phase of the multilateral well campaign is underway to boost production. Drilling of 17 out of 40 planned MLW wells has been completed, all of which have been connected to the production system, with six currently in the ramp-up phase. Current production stands at 0.92mmcmd (Million Standard Cubic Meters Per Day).
- **Domestic Gas Demand:-** Domestic gas demand growth was modest in 3QFY26, led by weak power demand. The unified tariff policy reducing CNG/PNG zonal tariffs is expected to support demand over time. Spot LNG prices are likely to trend lower in the short term amid incremental LNG supply from North America, which is expected to exert downward pressure. However, a severe winter and stronger-than-expected demand from China could provide some support to prices.

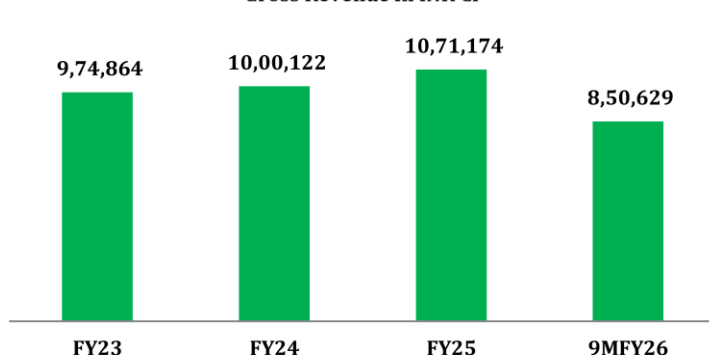
4) **Oil To Chemicals (O2C):-**

- **Jio-BP:-** Jio-BP expanded its network to 2,125 fuel outlets (vs 1,865 in 3QFY25). Its quarterly sales grew 25% YoY for HSD and 21% YoY for MS, significantly outperforming the industry growth rates of 3.1% for HSD (High Sped Diesel) and 5.5% for MS (Motor Spirit).
- **Diesel:-** Global diesel demand increased by 0.2mb/d YoY to 30.1mb/d. Cracks were up 62% YoY at USD24.5/bbl owing to drone strikes on Russian refineries and escalating US and EU sanctions.
- **Gasoline:-** Global gasoline demand increased by 0.3mb/d. Gasoline cracks improved 106% YoY to USD13.4/bbl, as reduced Chinese exports coupled with FCC (Fluid Catalytic Cracking) unit outages in Malaysia, Taiwan, and Nigeria constrained gasoline supply.
- **Aviation Turbine Fuel (ATF):-** ATF also improved by 66% to USD24.6/bbl.
- **Global Oil Demand:-** It rose by 0.6mb/d YoY to 104.7mb/d, led by non-OECD Asia. Global refinery operating rates were up 110bp YoY.
- **Polymer Segment:-** Margins witnessed mixed trends amid lower naphtha prices. PE (Polyethylene) margins increased by 6%, while PP (Polypropylene) and PVC (Polyvinyl chloride) margins fell by 12% and 5%, respectively. Singapore naphtha prices declined 14.3% to USD545/mt, while EDC (Ethylene dichloride) prices fell 34.8% to USD188/mt due to weak PVC demand.
- **Polyester Chain:-** In the polyester chain, margins declined marginally YoY to USD427/mt in 3QFY26, mainly due to weak MEG (Monoethylene Glyco) and downstream polyester margins, offset by a higher PX spread (The PX-naphtha spread (the difference between Para-xylene and naphtha prices) experienced volatility in 2025). Polyester product margins weakened due to subdued textile demand and persistent competitive pressures in major export markets. Meanwhile, PX margins improved, driven by stronger demand from new PTA (Purified Terephthalic Acid) capacities and a steep decline in feedstock costs.
- **US Ethane Prices:-** US ethane prices averaged at 26.7cpg, up 21% YoY in line with the rise in US natural gas prices. Despite this sharp rise, ethane cracking economics stayed favorable versus naphtha, bolstering ethylene production.
- **Structural Cost Advantage:-** With ~75% of the cracker portfolio based on ethane/ROGC, the company retains a structural cost advantage. Lean inventories (8-10 days) limited inventory losses, while higher freight costs were partly offset by time charters and cargo aggregation.

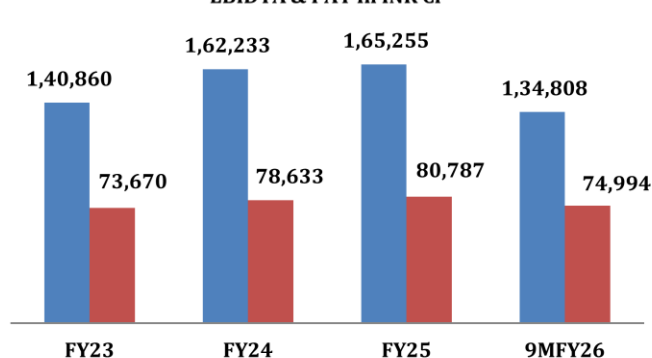
5) **New Energy**

- **New Commissioning:-** RIL is on track to commission its fully integrated 10GWp annual solar manufacturing giga factory and plans to further scale it up to 20GWp. Solar module manufacturing has been successfully commissioned, while solar cell manufacturing was commissioned last quarter and is ramping up to full capacity. The facility produces HJT cells, offering the largest utility-scale cells with industry-leading efficiency. (*HJT cell stands for **Heterojunction Technology** (or sometimes Heterojunction with Intrinsic Thin Layer). It is a high-efficiency hybrid solar cell technology combining crystalline silicon with thin-film amorphous silicon to achieve, on average, over 22-25% efficiency.*)
- **Ingot and Water segment:-** In the ingot and wafer segment, the pilot line has been commissioned, and the giga factory is being commissioned in phases during the year. Commissioning of polysilicon and glass is planned during the year, with construction progressing at a rapid pace.
- **Battery Business:-** Construction is also underway for the 40GWh annual BESS assembly and cell manufacturing giga factories, with commissioning planned in phases during CY26. All critical production line equipment has been received at the site, and the company plans to further scale capacity to 100GWh annually.
- **Largest Renewable energy project:-** RIL is developing one of the world's largest renewable energy generation projects at Kutch, with land development, site infrastructure engineering, and transmission works in progress. Key contracts for the site have been awarded or are in the process of being awarded.

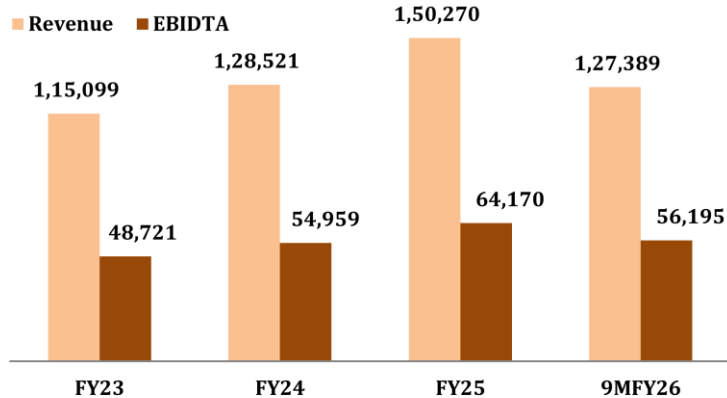
Gross Revenue In INR Cr



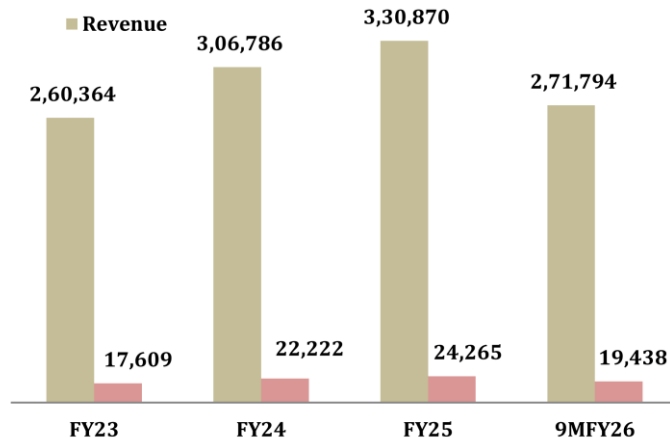
EBIDTA & PAT In INR Cr



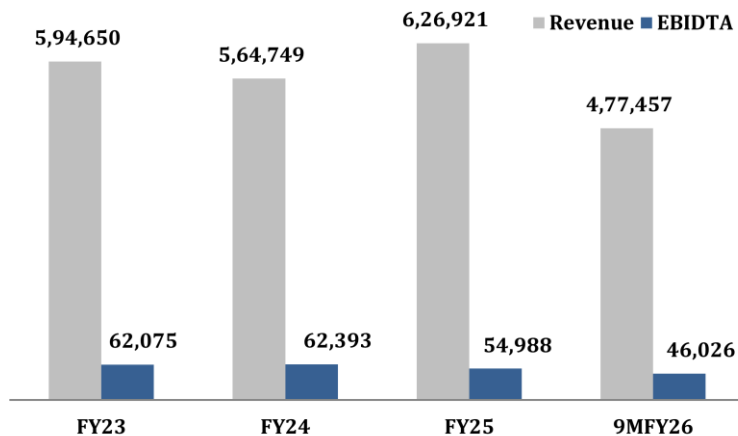
Jio Revenue & EBIDTA In INR Cr



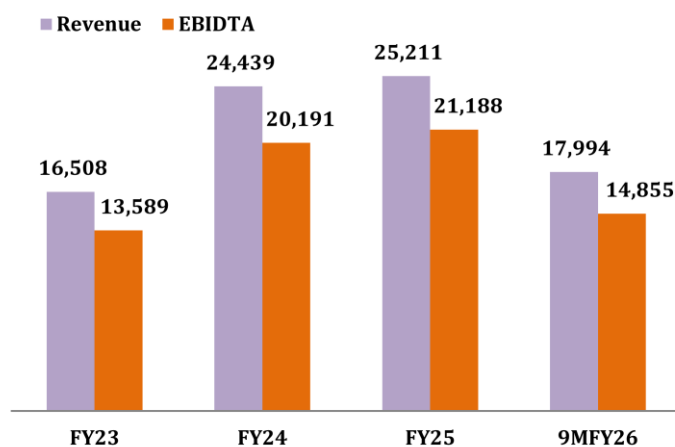
Reliance Retail Revenue & EBIDTA In INR Cr



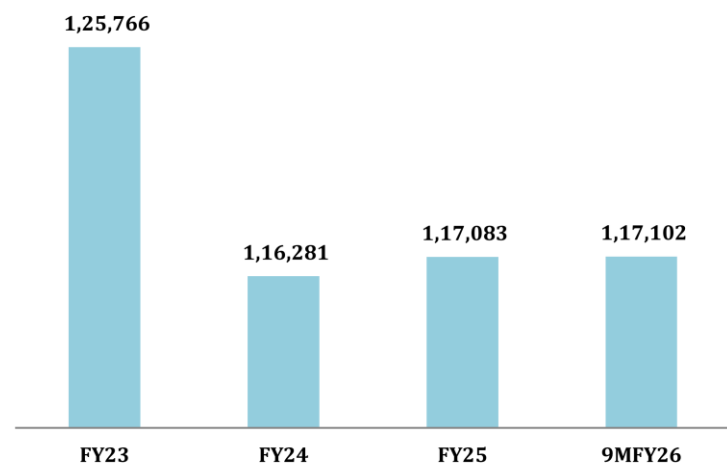
O2C Revenue & EBIDTA In INR Cr



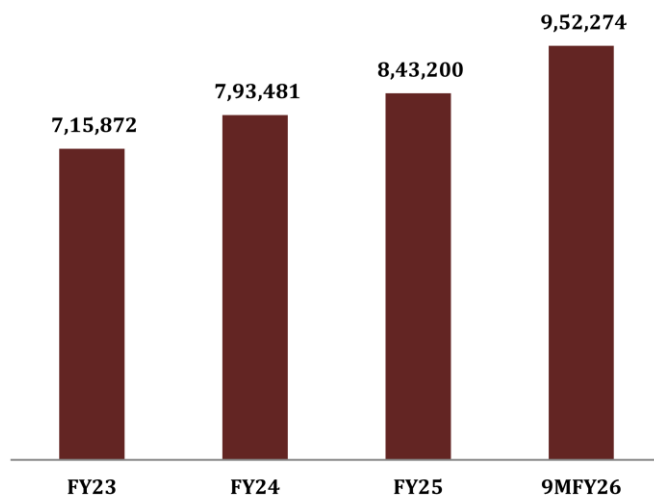
E&P Revenue & EBIDTA In INR Cr



Net Debt In INR Cr



Net Worth In INR Cr



*Source: Company, Ace Equity, AUM Research

Financials

Consolidated Quarterly Results (Value in Rs. Crs)						
Particulars	Q3FY26	Q3FY25	Var%	9MFY26	9MFY25	Var%
Net Sales & Other Operating Income	2,69,496.00	2,43,865.00	10.51	7,77,054.00	7,15,563.00	8.59
Total Expenditure	2,23,478.00	2,00,076.00	11.70	6,42,246.00	5,93,951.00	8.13
PBIDT (Excl OI)	46,018.00	43,789.00	5.09	1,34,808.00	1,21,612.00	10.85
Other Income	4,914.00	4,214.00	16.61	24,515.00	13,073.00	87.52
Operating Profit	50,932.00	48,003.00	6.10	1,59,323.00	1,34,685.00	18.29
Interest	6,613.00	6,179.00	7.02	20,476.00	18,114.00	13.04
PBDT	44,319.00	41,824.00	5.97	1,38,847.00	1,16,571.00	19.11
Depreciation	14,622.00	13,181.00	10.93	42,880.00	39,657.00	8.13
PBT	29,697.00	28,643.00	3.68	95,967.00	76,914.00	24.77
Tax	7,530.00	6,839.00	10.10	20,973.00	18,561.00	12.99
Net Profit	22,167.00	21,804.00	1.66	74,994.00	58,353.00	28.52
Minority Interest	-3,645.00	-3,390.00	-	-11,361.00	-8,457.00	-
Share of Associates	123.00	126.00	-	171.00	345.00	-
Adjusted Net Profit	18,645.00	18,540.00	0.57	63,804.00	50,241.00	27.00
Equity	13,532.00	13,532.00	-	13,532.00	13,532.00	-
EPS (Rs.)	13.78	13.70	0.58	47.15	37.13	26.99

**RIL issued 1:1 Bonus shares in Oct 2024

Consolidated Income Statement (Value in Rs. Crs)			
Particulars	FY25	FY24	FY23
Net sales	9,64,693.00	9,01,064.00	8,77,835.00
Total Expenditure	7,99,438.00	7,38,831.00	7,36,975.00
Operating Profit (Excl OI)	1,65,255.00	1,62,233.00	1,40,860.00
Other Income	18,167.00	16,057.00	13,036.00
Operating Profit	1,83,422.00	1,78,290.00	1,53,896.00
Interest	24,269.00	23,118.00	19,571.00
PBDT	1,59,153.00	1,55,172.00	1,34,325.00
Depreciation	53,136.00	50,832.00	40,303.00
Profit Before Tax & Exceptional Items	1,06,017.00	1,04,340.00	94,022.00
Share of Profit/Loss of JV & Associates	-	-	24.00
Profit Before Tax	1,06,017.00	1,04,340.00	94,046.00
Provision for Tax	25,230.00	25,707.00	20,376.00
Profit After Tax	80,787.00	78,633.00	73,670.00
Profit Before Tax From Discontinued Operations	-	-	418.00
Minority Interest	-11,661.00	-9,399.00	-7,386.00
Share of Associates	522.00	387.00	-
Adjusted Net Profit	69,648.00	69,621.00	66,702.00
EPS (Rs.)	51.47	51.45	49.29

*Source: Company, Ace Equity, AUM Research

Consolidated Balance Sheet (Value in Rs. Crs)			
Particulars	FY25	FY24	FY23
EQUITY AND LIABILITIES			
Share Capital	13,532.00	6,766.00	6,766.00
Share Warrants Outstanding	790.00	780.00	646.00
Total Reserves	8,28,878.00	7,85,935.00	7,08,460.00
Shareholder's Funds	8,43,200.00	7,93,481.00	7,15,872.00
Minority Interest	1,66,426.00	1,32,307.00	1,13,009.00
Secured Loans	21,504.00	22,372.00	3,705.00
Unsecured Loans	2,15,395.00	2,00,340.00	1,79,471.00
Deferred Tax Assets / Liabilities	83,045.00	71,303.00	58,775.00
Other Long Term Liabilities	1,38,102.00	1,35,834.00	1,37,700.00
Long Term Provisions	28,304.00	2,044.00	1,607.00
Total Non-Current Liabilities	4,86,350.00	4,31,893.00	3,81,258.00
Trade Payables	1,86,789.00	1,78,377.00	1,47,172.00
Other Current Liabilities	1,81,493.00	1,60,173.00	1,64,135.00
Short Term Borrowings	81,308.00	56,642.00	82,258.00
Short Term Provisions	4,147.00	2,175.00	2,178.00
Total Current Liabilities	4,53,737.00	3,97,367.00	3,95,743.00
Total Liabilities	19,49,713.00	17,55,048.00	16,05,882.00
ASSETS			
Gross Block	13,75,818.00	11,14,582.00	10,18,002.00
Less: Accumulated Depreciation	3,76,425.00	3,34,597.00	2,93,197.00
Net Block	9,99,393.00	7,79,985.00	7,24,805.00
Capital Work in Progress	1,69,710.00	1,52,382.00	1,17,259.00
Intangible Assets Under Development	92,648.00	1,86,473.00	1,76,493.00
Non Current Investments	1,23,672.00	1,19,502.00	1,17,087.00
Long Term Loans & Advances	22,226.00	17,690.00	17,140.00
Other Non Current Assets	42,794.00	28,916.00	27,802.00
Total Non-Current Assets	14,50,443.00	12,84,948.00	11,80,586.00
Current Investments	1,18,709.00	1,06,170.00	1,18,473.00
Inventories	1,46,062.00	1,52,770.00	1,40,008.00
Sundry Debtors	42,121.00	31,628.00	28,448.00
Cash and Bank	1,06,502.00	97,225.00	68,664.00
Other Current Assets	39,507.00	26,251.00	20,688.00
Short Term Loans and Advances	46,369.00	56,056.00	49,015.00
Total Current Assets	4,99,270.00	4,70,100.00	4,25,296.00
Net Current Assets (Including Current Investments)	45,533.00	72,733.00	29,553.00
Total Current Assets Excluding Current Investments	3,80,561.00	3,63,930.00	3,06,823.00
Total Assets	19,49,713.00	17,55,048.00	16,05,882.00

*Source: Company, Ace Equity, AUM Research

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Website: www.aumcap.com; Email: aumresearch@aumcap.com

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