kotak Securities

Dated: 19 Jan 2026

Reliance Industries (RELIANCE) - ADD

Result Update

Current Market Price (CMP)	Fair Value (FV)
Rs.1458	Rs.1620

Rationale:

- Q3FY26 below estimates; Retail weak. O2C/telecom is good but in line.
- Retail: Weaker revenue/EBITDA growth in part on one-offs.
- R-Jio: In-line; broadband additions remain strong.
- Capex at Rs33,800 cr fell 15% qoq, and the reported net debt was flat.
- We believe the outlook is sanguine for both retail & telecom.
- As Russian crude is replaced by expensive crudes, there remain headwinds in O2C.
- Maintain ADD with a SoTP-based FV of Rs1,620 (Rs1,600 earlier).

Positives:

- Digital services EBITDA was up 16% yoy & 2.3% qoq, and O2C EBITDA was up 14.6% yoy, 10% qoq, and were in line.
- Exploration and Production: EBITDA was 2.3% ahead.

Negatives:

- Consolidated EBITDA was up 5.1% yoy; 3.9% below estimates.
- Reported PBT was up 3.7% yoy and 2.0% qoq; was 1.8% below estimates.
- Organized retail EBITDA was up 1.1% yoy & 1.4% qoq; 3.3% below estimates both on weaker revenue & margins.

O2C: Oil to Chemical. EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization. SOTP: Sum-of-The-Parts. PBT: Profit Before Tax.

Holding Period: 12 months

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

BUY	–	We expect the stock to deliver more than 15% returns over the next 12 months
ADD	–	We expect the stock to deliver 5% - 15% returns over the next 12 months
REDUCE	–	We expect the stock to deliver -5% - +5% returns over the next 12 months
SELL	–	We expect the stock to deliver < -5% returns over the next 12 months
NR	–	**Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
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NA	–	**Not Available or Not Applicable.** The information is not available for display or is not applicable
NM	–	**Not Meaningful.** The information is not meaningful and is therefore excluded.
NOTE	–	Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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