

Date:-20/02/22

Reliance Industries Limited is a Fortune 500 company and the largest private sector corporation in India. It has evolved from being a textiles and polyester company to an integrated player across energy, materials, retail, entertainment and digital services. Reliance's products and services portfolio touches almost all Indians on a daily basis, across economic and social spectrums. [1]

Reliance was founded by Dhirubhai Ambani and is now promoted and managed by his elder son, Mukesh Dhirubhai Ambani. Ambani's family have about 50% shareholding in the conglomerate.

KEY POINTS

Refining & Marketing Business (50% of revenue)

RIL owns Jamnagar refining facility which is the world's largest refining hub with a capacity of 1.24 million barrels per day.

It accounts for ~27% of the total oil refining capacity of India.

Almost 57% of the products from refinement are exported to other countries. The company uses 23% of its refined products and the rest 18% are sold domestically. It also owns a network of 1,400 fuel stations across India.

Retail Business (21% of revenue)

The company's subsidiary, Reliance Retail Ltd (RRL) is India's largest retailer by revenue and profitability. It operates about 11,800 stores across India and caters to the demand of over 125 million registered customers. Reliance Retail's store concepts span across all major consumption baskets which accounts for over 80% of the consumption needs of Indian households. It also operates the largest portfolio of esteemed international partner brands such as Emporio Armani, Diesel, Tiffany & Co, and many more.

Till November 2020, reliance has raised about 47,250 crores from selling a 10.1% stake in Reliance Retail Ventures Ltd.

Digital Services Business (Jio) (9% of revenue)

The digital services business is the most profitable with an EBITDA Margin of 33%.

Jio Platforms has made investments in excess of US\$50 billion since its inception to create the largest and most advanced digital and connectivity ecosystem in India. Started in 2016, it has built a strong market position in a short time. Today, it's the biggest player in the telecom sector with a 35% market share with a base of more than 400 million subscribers. It aims to offer seamless wire-line services across FTTH and enterprises in its next phase of the connectivity rollout.

Its passive infrastructure includes 175,000 towers and 1.1 million route kms for its

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fiber business. It is also a partner in 33,100 kms of undersea cable systems. Reliance sold a stake in Jio Platforms Ltd to make it a debt-free company by March 2021. It sold a 33% stake for ~1.5 lakh crores to 13 marquee investors like Facebook, Qualcomm, Google, KKR, Silver lake, etc. in just 2 months.

Petrochemicals Business (19% of revenue)

Reliance is the largest producer of petrochemicals in the country and amongst the top ten in the world. It produces an extensive chain of polymers, elastomers, polyesters, aromatics, etc. It is working towards transforming its petrochemical business into a solutions-driven consumer facing business.

It has various petrochemical plants in India located in Dahej, Hazira, Hoshiarpur, Jamnagar, Vadodara, and other cities

Oil and Gas Exploration & Production Business (0.5% of revenue)

RIL as an integrated E&P Operator is India's leading Deepwater Operator. Its domestic portfolio comprises of conventional oil and gas blocks in Krishna Godavari and Mahanadi basins and two Coal Bed Methane (CBM) blocks, Sohagpur (East) and Sohagpur (West) in Madhya Pradesh.

It produces oil & gas in the U.S. shale in 2 separate Joint Ventures with major oil giant Chevron and Ensign Natural resources.

Media & Entertainment (1% of revenue)

Reliance is the owner of Network 18 Media which operates 56 channels in India spanning news and entertainment. It is also in the Film industry through Viacom studios and Jio Studios.



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Technical View: Reliance Ltd, daily chart is in to formation of Symmetrical triangle. RSI is in to buying zone and MACD crossover supporting the trend. **Said share 2500 will be acting as a major hurdle to move forward in the break off said resistance can see stock reaching towards 2600.**

Volume analysis: - 1 Day Delivery volume fell by -59.97% over 5 day average, However; 1 Month: Delivery volume increase by 5.23% , Hence; **We recommend BUY signal for this share Buying range of share is 2400-2420 for Target 2500, Target 2546, Target 2677 Use Strict stop loss 2300.**

Moving Averages: - Reliance Industries Ltd. is trading higher than 5 day, 20 day, 50 day and 200 day moving averages but lower than 100 day moving averages

5 Day 2,385.38
2,311.57

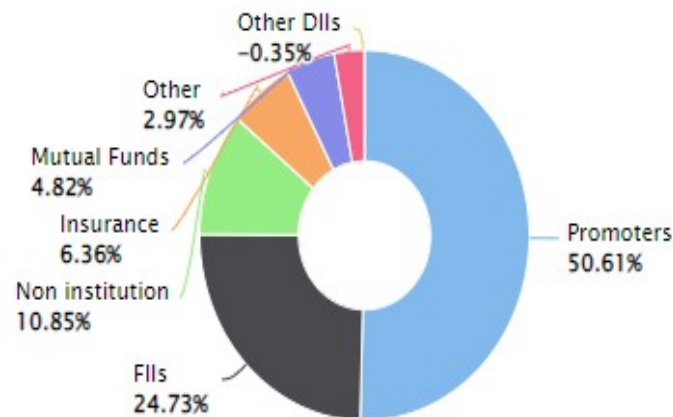
50 Day 2,405.95

200 Day

20 Day 2,385.92

100 Day 2,472.54

Shareholding pattern:-



The Promoter holdings have increased by 0% . However, the number of shares held by the Promoters has decreased by -0.01%. No change in Promoter pledged shares.

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Key Ratio:-

| | | | | | |
|------------------|-----------------|----------------------|---------|---------------------|-----------------|
| Market Cap | ₹ 1,640,041 Cr. | Current Price | ₹ 2,424 | High / Low | ₹ 2,751 / 1,877 |
| Stock P/E | 29.8 | Book Value | ₹ 1,097 | Dividend Yield | 0.29 % |
| ROCE | 8.19 % | ROE | 7.97 % | Face Value | ₹ 10.0 |
| Debt to equity | 0.36 | Intrinsic Value | ₹ 1,466 | Int Coverage | 5.94 |
| Current ratio | 1.18 | Quick ratio | 0.88 | Price to book value | 2.21 |
| Industry PE | 13.6 | Industry PBV | 1.58 | Profit growth | 35.2 % |
| Promoter holding | 50.6 % | Chg in Prom Hold 3Yr | 3.42 % | Sales growth 5Years | 11.3 % |
| Sales growth | 41.5 % | Qtr Sales Var | 57.0 % | Profit after tax | ₹ 55,000 Cr. |
| PAT Prev Ann | ₹ 42,805 Cr. | Profit Var 5Yrs | 8.24 % | Price to Sales | 2.55 |