

Vedanta report by Viceroy 'lacks credibility', says Ex-CJI Chandrachud

BS

business-standard.com/india-news/vedanta-viceroy-report-credibility-former-cji-dy-chandrachud-legal-remedy-125071900380_1.html

Rimjhim Singh

July 19, 2025

Former CJI DY Chandrachud said Viceroy's report on Vedanta includes damaging terms like 'ponzi', and the company would be well-placed to seek legal remedies



Former Chief Justice of India DY Chandrachud | PTI

Former Chief Justice of India DY Chandrachud has criticised a recent report by US-based short-seller Viceroy Research on the Vedanta Group, calling it lacking in "credibility", news agency *PTI* reported.

According to a regulatory filing by the company, Vedanta had sought an independent legal opinion from Justice Chandrachud on the report's allegations.

'Misleading' report meant to profit: Ex-CJI

Justice Chandrachud said that Viceroy has a history of taking short positions in listed companies and then releasing "misleading reports to profit unlawfully from the resulting

market impact". He added that the report contains serious allegations that have harmed Vedanta's business reputation.

"The report contains serious imputations such as 'ponzi scheme' and 'parasite', which have caused harm to querist's (Vedanta's) business and reputation," he said. "In these circumstances, the querist would be well-placed to seek legal remedies."

Viceroy calls Vedanta a 'parasite'

The report by Viceroy Research, released on July 9, accused billionaire Anil Agarwal-led Vedanta Resources, the UK-based parent of Indian mining giant Vedanta Ltd, of being a "parasite" that is "systematically draining" its Indian arm to pay off its own debts. The firm claimed the group was built on "unsustainable debt, looted assets, and accounting fiction".

Vedanta dismisses claims as 'baseless'

Vedanta swiftly responded, calling the allegations "a malicious combination of selective misinformation and baseless allegations to discredit the group". The company said the report was issued "without any attempt to contact us" and was intended "solely to create false propaganda".

ALSO READ: [Who is Viceroy Research? The short-seller targeting Vedanta's parent](#)

Details of allegations

In its 87-page report, Viceroy accused Vedanta of inflating profits by capitalising expenses across its subsidiaries and pointed to a \$5.6 billion gap between free cash flows and dividends paid over the past three years. It also noted a 200 per cent surge in Vedanta Ltd's net debt — around \$6.7 billion — since FY22.

According to Viceroy, Vedanta Resources is draining cash from Vedanta Ltd (VEDL) to meet its debt obligations. The report likened the situation to a Ponzi scheme and warned that this undermines the operating company's financial health and the recovery potential of VRL's own creditors.

Vedanta denounces timing and motive

Vedanta questioned the timing of the report, saying it appeared to be aimed at sabotaging upcoming corporate plans. "Our stakeholders are discerning enough to see through such tactics," the company said.

Vedanta also argued that the report merely compiles publicly available information but distorts the context "to sensationalise and profiteer from market reaction".

(With PTI inputs)