

Vedanta expects aluminium to drive growth as prices rise and costs fall



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[HomeMarket NewsEarnings News](#)Vedanta expects aluminium to drive growth as prices rise and costs fall

Ajay Goel, Group Chief Financial Officer of Vedanta, said the company continues to strengthen its balance sheet, reducing group debt from \$9.1 billion to \$4.5 billion—the lowest in over a decade—with a target to bring it down further to \$3 billion. At Vedanta Ltd., the operating entity, net debt-to-EBITDA has improved to 1.4x and is expected to reach 1x soon, supported by strong operating cash flows.

Anil Agarwal owned mining conglomerate Vedanta expects aluminium to stay its biggest profit driver on the back of strong global demand, firm prices, and lower costs.

Ajay Goel, Group Chief Financial Officer of [Vedanta](#) noted that aluminium has become the largest contributor to Vedanta's profit pool and remains central to the company's growth strategy.

"Looking at the pricing over the last couple of months, the pricing aluminium is upwards of \$2850 per tonne. Globally, aluminium remains a metal in demand. It also remains and substitute for the green metal. We do see in near future, the demand for aluminium remains lofty," he added.

Prices are expected to stay elevated in the near term, ranging between \$2,850 and \$3,000 per tonne.

Another major profit driver for the aluminium segment is lower production costs. Vedanta has managed to cut its cost of production by nearly 27% over the past two years through strategic efficiency measures. As a result, the aluminium division is expected to remain the company's most profitable business in the coming years.

In July-September quarter 2025 (Q2FY26), Vedanta reported a [revenue](#) of ₹39,218 crore, profit after tax at ₹3,464 crore and margins at 28.59%.

The company's [deleveraging](#) efforts remain strong. At the group level, Vedanta Resources has cut its debt from \$9.1 billion to \$4.5 billion, the lowest in over a decade, and aims to reduce it further to \$3 billion.

At Vedanta, the operating entity, net debt-to-earnings before interest, taxes, depreciation, and amortisation (EBITDA) has improved from 2 times to 1.4 times, with a goal to reach 1 time in the near future. Goel said both entities plan to lower debt mainly through operating cash flows.

[Vedanta](#)'s highly anticipated demerger is on course to be completed by the end of the current fiscal year. The demerger process, seen by the market as a significant value-unlocking event, has received approval from the Securities and Exchange Board of India (SEBI).

Goel noted that the next hearing at the National Company Law Tribunal (NCLT) on November 12 is expected to be conclusive.

Addressing concerns related to the Ministry of Petroleum, he affirmed that Vedanta is "agreeable to keep the corporate guarantee" if required.

Vedanta's current market capitalisation is ₹ 1,97,846 crore. The stock is currently trading at ₹504.05 as of 9:18 am on the NSE and has gained 10% over the last year.

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