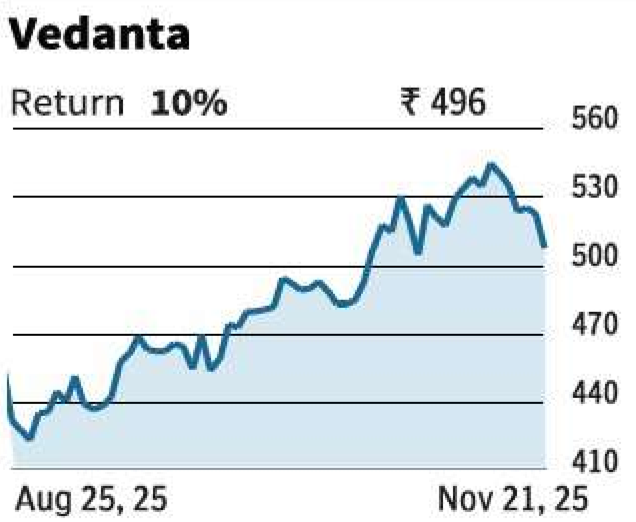
Vedanta demerger to add ₹84/share in each vertical

Our Bureau
Mumbai



The proposed demerger of Vedanta into five listed entities will unlock about ₹84 per share in additional value in each of the businesses valued separately, said a brokerage.

Vedanta has decided to split its business into Vedanta, Vedanta Aluminium Metal, Vedanta Power, Vedanta Oil & Gas, and Vedanta Iron and Steel.

TO LIST 4 VERTICALS

All the four verticals will be listed independently on NSE and BSE.

Existing shareholders will receive one share in each of the new entities for every share held in Vedanta.

The Mumbai bench of the National Company Law Tribunal has reserved its judgment on the demerger.

ADDITIONAL VALUE

Nuvama Research expects the proposed five-way demerger to unlock about ₹84 per share in additional value as each business is valued independently and multiples adjust to their underlying fundamentals. "We estimate our fair value of ₹686 will be enhanced by ₹84 a share once the demerger comes into effect," Nuvama stated.