


# 'The silver story is just beginning': Vedanta's Anil Agarwal on why silver rally is not just precious, but functional

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Silver's stunning rally in 2025 has caught the attention of global and domestic investors alike, with [silver prices](#) outperforming gold majorly.

Adding to the glorious views on the white metal, [Vedanta Group](#) chairman Anil Agarwal said silver has finally stepped out of gold's shadow and is now entering a long-term structural phase, driven by its growing relevance across technology-led industries.

Highlighting the scale of the rally, Agarwal said silver has delivered exceptional returns this year. "This year, silver has emerged from the shadow of its precious metal sibling, [gold](#). What a year for silver, with year-to-date appreciation of 125% in dollar terms," he said in a post on social media platform X. In comparison, he noted that gold — despite a strong run — gained 63% during the same period.

Agarwal said silver's growing importance is rooted in its dual nature — combining intrinsic value with strong industrial demand. "The silver story is just beginning. It is unique because it is the only metal which has an intrinsic value and also a functional demand," he said.

According to him, emerging technologies are becoming key drivers of long-term consumption. "New technologies, whether in solar cells or defence, use silver as a key component," Agarwal said, adding that as the only producer of silver in India, we have seen this first-hand at Hindustan Zinc.

"Prices will go up and down, but silver's extraordinary shine is here to stay," Agarwal further noted, signalling confidence in the metal's long-term prospects.

Silver rate today extended its record-breaking rally on Wednesday, December 24, touching yet another all-time high after gold prices scaled another peak. In the domestic market, MCX silver March contracts surged nearly 2% to a fresh high of ₹2,23,742 per kg. MCX gold February futures also advanced, rising 0.40% to a record ₹1,38,428 per 10 grams.

This year, silver has emerged from the shadow of its precious metal sibling, gold. What a year for silver, with year-to-date appreciation of 125% in dollar terms. In comparison, Gold, which also had a very good year, appreciated by 63%, half of silver's returns.

And the silver... [pic.twitter.com/6XpYmEt1sm](https://pic.twitter.com/6XpYmEt1sm)

— Anil Agarwal (@AnilAgarwal\_Ved) [December 23, 2025](#)

## Silver Emerges as a Key Earnings Driver for Vedanta

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Silver's price rally has translated into tangible financial gains for Vedanta, particularly via [Hindustan Zinc](#), one of the world's top five silver producers. The company's latest financial results show silver emerging as a major contributor alongside zinc.

For the quarter ended September 2025, Hindustan Zinc reported a consolidated profit after tax of ₹2,649 crore, up 19% sequentially. Silver accounted for nearly 40% of overall profits during the quarter, contributing around ₹1,060 crore.

Revenue from silver stood at ₹1,706 crore in the quarter, reflecting a 10% rise quarter-on-quarter and a 20% jump year-on-year. The growth was driven by higher global prices as well as stable operational performance. Silver is produced as a by-product during lead and zinc mining, and its share in earnings has increased steadily as prices strengthened.

## Other Developments: Vedanta Demerger and Dividend Focus

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In an interview with PTI earlier this week, Vedanta Group chairman Anil Agarwal said the proposed [demerger](#) of Vedanta into separate listed entities is aimed at sharpening operational focus, unlocking value and ensuring uninterrupted cash

returns to shareholders, without impacting the group's ongoing capital expenditure plans. The comments came after the National Company Law Tribunal (NCLT) approved Vedanta's plan to split into five listed companies. Following the demerger, the base metals business will remain housed under Vedanta Ltd, while Vedanta Aluminium, Talwandi Sabo Power, Vedanta Steel and Iron, and Malco Energy — which will hold the oil and gas business — will be listed as separate entities. Agarwal said the group opted for a demerger instead of asset sales or alternative restructuring routes to unlock the full growth potential of each vertical amid strong and rising demand, particularly in India.

"Vedanta is like a big banyan tree. There is tremendous potential in each business, and each one of them has the potential to become a banyan tree by itself," Agarwal said. "I have a vision that each company will be as big as Vedanta in terms of revenue. Effectively, we are creating five more Vedantas, which will make shareholders the happiest."

Under the proposed structure, shareholders will receive one equity share of each demerged entity for every one share they currently hold in Vedanta. Reiterating his commitment to payouts, Agarwal said, "Dividend is in my blood. No matter what happens, there will always be a [dividend](#) payout by our companies." He added that the demerger is expected to be completed by March 2026, alongside the group's planned \$20 billion investment over the next four to five years.

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