

## Vedanta Ltd. Hits New 52-Week High of Rs.624 Marking Significant Market Milestone

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Vedanta Ltd., a leading player in the Non-Ferrous Metals sector, reached a new 52-week and all-time high of Rs.624 on 5 Jan 2026, underscoring a strong upward momentum driven by robust financial performance and favourable market conditions.



### Stock Performance and Market Context

Vedanta Ltd. has demonstrated notable strength in recent trading sessions, gaining 2.5% over the last two days despite underperforming its sector by -1.23% on the day it hit this milestone. The stock is currently trading above all key moving averages, including the 5-day, 20-day, 50-day, 100-day, and 200-day averages, signalling sustained bullish momentum. This technical positioning reflects investor confidence in the company's fundamentals and growth trajectory.

The broader market environment has been supportive, with the Sensex opening slightly lower at 85,640.05 points but maintaining a position close to its own 52-week high of 86,159.02, just 0.46% away. The Sensex has been on a three-week consecutive rise, gaining 0.98%, and is trading above its 50-day moving average, which itself is positioned above the 200-day moving average, indicating a positive market trend. Small-cap stocks have also shown resilience, with the BSE Small Cap index gaining 0.08% on the day.

Over the past year, Vedanta Ltd. has outperformed the Sensex significantly, delivering a 34.59% return compared to the benchmark's 8.27%. The stock's 52-week low was Rs.362.20, highlighting the substantial appreciation in value over the period.

### Financial Strength and Operational Highlights

Vedanta Ltd.'s financial metrics underpin its recent price appreciation. The company boasts a high Return on Capital Employed (ROCE) of 31.42%, reflecting efficient management and strong profitability. Its ability to service debt is robust, with a low Debt to EBITDA ratio of 1.20 times, indicating manageable leverage levels relative to earnings.

Long-term growth is evident, with net sales expanding at an annual rate of 15.00% and operating profit growing at 19.45%. The company has reported positive results for six consecutive quarters, reinforcing its consistent performance. Operating cash flow for the year reached a peak of Rs.39,562 crore, while profit after tax (PAT) for the first nine months stood at Rs.9,919.63 crore, marking a growth of 22.92% year-on-year.

Interest coverage remains strong, with operating profit to interest ratio at 5.40 times, highlighting the company's capacity to meet interest obligations comfortably. The valuation metrics also favour Vedanta Ltd., with an attractive Enterprise Value to Capital Employed ratio of 2.9, suggesting the stock is trading at a discount relative to its peers' historical averages.

The company's dividend yield stands at a healthy 3.73% at the current price, offering income alongside capital appreciation.

### **Market Position and Industry Standing**

Vedanta Ltd. holds a commanding position in the Non-Ferrous Metals sector, with a market capitalisation of Rs.2,41,251 crore, making it the second largest company in the sector behind Hindustan Zinc. It accounts for 40.29% of the sector's total market capitalisation. Annual sales of Rs.157,262 crore represent 73.45% of the industry's total, underscoring its dominant market share.

Its performance has been market-beating not only in the last year but also over longer periods, outperforming the BSE500 index over one year, three years, and three months. The company is ranked third among all large-cap stocks and sixteenth across the entire market by MarketsMojo, with a Mojo Score of 81.0 and a Mojo Grade upgraded to Strong Buy from Buy as of 1 Dec 2025.

### **Risks and Considerations**

While Vedanta Ltd. exhibits strong fundamentals and market leadership, it is important to note that 99.99% of promoter shares are pledged. This high level of pledged shares can exert additional downward pressure on the stock price during periods of market weakness, representing a risk factor for shareholders.

Despite this, the company's consistent financial performance, strong cash flows, and attractive valuation metrics have supported its recent rally and the attainment of the new 52-week high.

### **Summary**

Vedanta Ltd.'s rise to a new 52-week high of Rs.624 reflects a combination of solid financial results, efficient capital management, and favourable market conditions. The stock's outperformance relative to the Sensex and its sector peers, coupled with strong operational metrics such as a 31.42% ROCE and a 3.73% dividend yield, highlight the company's robust position within the Non-Ferrous Metals industry. While the high promoter pledge remains a consideration, the overall momentum and valuation support the stock's current elevated levels.