

Fitch Ratings Upgrades Vedanta Resources to 'BB-'

Mumbai: Fitch Ratings has upgraded Vedanta Resources to 'BB-' from 'B+', while maintaining a stable outlook. The upgrade takes the rating on the company's bonds to the highest level in a decade.

The ratings agency upgraded Vedanta Resources' long-term foreign-currency issuer default rating and its senior unsecured rating, citing expectations of higher commodity prices and volumes, along with lower costs. These are likely to boost earnings before interest, tax, depreciation and amortisation and support deleveraging.

“The rating incorporates VRL's large, diversified, market-leading and low-cost positions in some of its key segments, balanced by a moderate financial profile and a one-notch impact from governance and group structure risks,” Fitch said in its commentary. — **Our Bureau**