

# Vedanta shares jump 2% to hit fresh 52-week high. What's behind the surge?

By Debaroti Adhikary, ETMarkets.com Last Updated: May 29, 2026, 12:14:00 PM IST

## Synopsis

Vedanta shares hit a fresh record high after ICRA upgraded the company's long-term credit rating to AA+ with a stable outlook, marking its highest domestic rating in over a decade. The upgrade reflects stronger profitability, improving leverage metrics and expectations of continued healthy cash flow generation following the group's ongoing demerger process.



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Vedanta shares gain after ICRA rating upgrade announcement.

The shares of [Vedanta](#) jumped nearly 2% to a fresh record high on Friday morning, after the metals major said that it has secured its highest domestic [credit rating](#) in more than a decade.

[Vedanta shares](#) hit a fresh 52-week high of Rs 360.70 apiece on BSE on Friday. This comes after ratings agency [ICRA](#) on Wednesday removed the company from watch with developing implications after greater clarity on the allocation of assets and liabilities under the ongoing [demerger scheme](#).

## ICRA upgrades Vedanta's rating

ICRA upgraded Vedanta's long-term rating to AA+ (Stable), assigned a stable outlook and reaffirmed the short-term rating. "The rating action factors in ICRA's expectation of a further strengthening in the credit profile of the Vedanta Group in FY2027, building on the considerable improvement witnessed in FY2026. This has been supported by a sharp increase in base metal prices, which has contributed to a strong financial risk profile for the Group, which reported an OPBDITA of \$6.7 billion in FY2026," the ratings agency said.

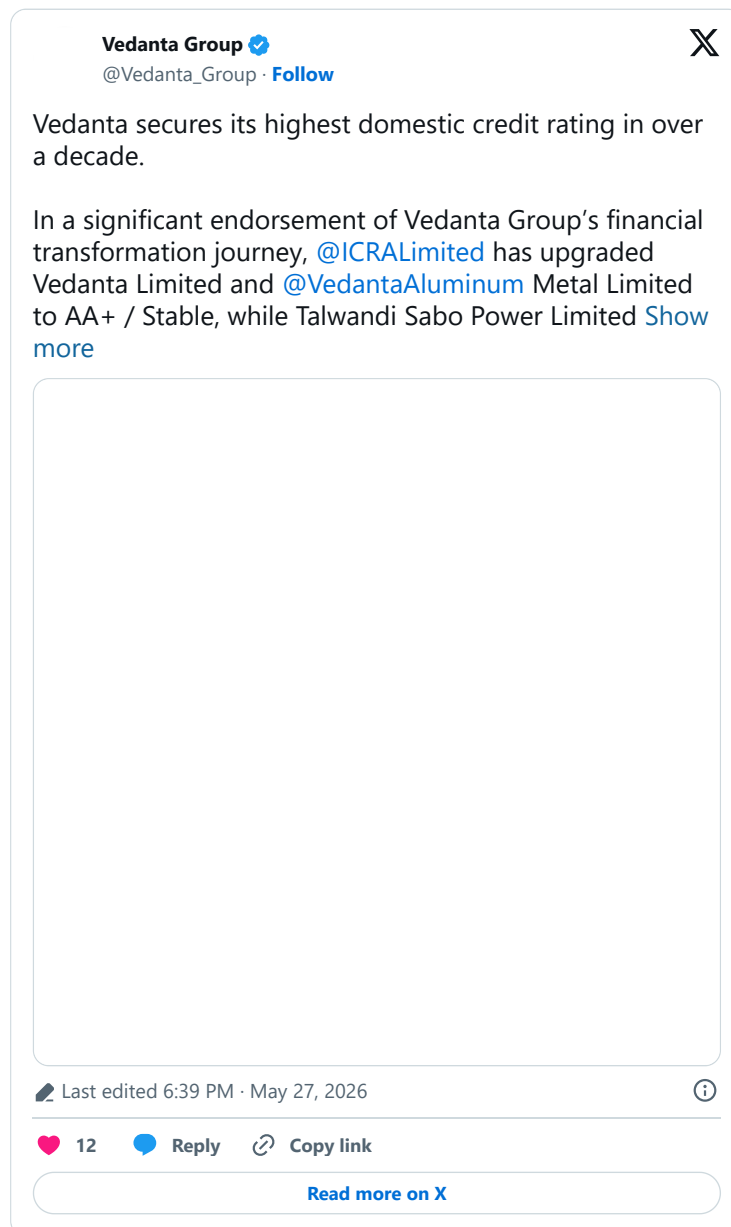
Post-demerger, ICRA expects the relatively stronger cash-generating entities within the Vedanta group to support the dividend requirements, with the flexibility to fund the same from other group entities as well. ICRA also expects that the intra-group support among entities in the conglomerate will continue if required.

"The Stable outlook on the long-term rating reflects ICRA's expectations of a continued healthy operating performance, backed by a favourable outlook on base metal prices in the near to medium term, leading to strong profits and cash accruals. The Group's credit profile will be supported by the healthy cash flow generation from diversified businesses, strong financial flexibility and execution capabilities. In addition, the Group's commitment to undertake any

large debt-funded capex in a calibrated manner while maintaining its debt metrics at prudent levels also supports the Stable outlook,” it further said.

**Also read: [How the mega Vedanta demerger will impact payout for 21 lakh shareholders?](#)**

Vedanta took to X to share the ratings upgrade, adding that this is the highest domestic credit rating in over a decade. “The upgrade marks the Group’s highest domestic credit rating since 2014, reflecting stronger profitability driven by robust operational performance, along with sustained progress in deleveraging and refinancing. Together, these milestones further strengthen Vedanta’s position among India’s leading diversified natural resources companies,” it wrote.



ICRA also upgraded its ratings for the unlisted Vedanta Aluminium Metal to AA+ (Stable) and Talwandi Sabo Power to AA- (Stable).

### **Vedanta demerger**

In April, Vedanta announced that each of its eligible shareholders would receive one share each of Vedanta Aluminium Metal (VAML), Talwandi Sabo

Power (to be renamed Vedanta Power), Malco Energy (to be renamed Vedanta Oil and Gas) and Vedanta Iron and Steel for every share held in the parent company, marking one of the biggest corporate restructurings in India's metals and [mining sector](#).

Vedanta shares at the end of the month adjusted to the mega demerger, appearing to have crashed more than 63% in a single day. The stock then recorded sharp gains. While the eligible shareholders can continue trading Vedanta stock, the value attributable to these new entities is currently in price-discovery limbo from the record date until their listings. Since investors cannot trade them yet, even as Vedanta's share price has already adjusted lower post-demerger.

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