

# Vedanta listing: How billionaire Anil Agarwal's 'Fantastic 5' unlocked Rs 63,500 crore value with mega demerger

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## Synopsis

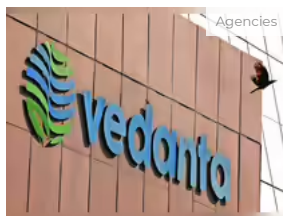
Vedanta's long-awaited demerger culminated with the listing of four newly spun-off businesses, triggering a sharp market re-rating and unlocking about Rs 63,500 crore in shareholder value. Since the demerger's April 29 ex-date, investors have gained roughly 22.5%, with the combined market capitalization of the five standalone entities rising from Rs 3.02 lakh crore to Rs 3.66 lakh crore.



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Vedanta's long-awaited demerger culminated with the listing of four newly spun-off businesses.

Mining billionaire [Anil Agarwal](#)'s sweeping corporate restructuring of [Vedanta Limited](#) reached its climax today as the simultaneous mega listing of four newly carved-out units triggered a massive market re-rating, unlocking Rs 63,500 crore in shareholder value and delivering 22.5% return in less than 2 months.

The [demerger](#) represents a decisive structural pivot aimed at erasing the steep conglomerate discount that has historically weighed on the commodities giant. Before the April 29 ex-date, [Vedanta Ltd.](#)'s market capitalization stood at Rs 3,02,371 crore on a share price of Rs 773.25. Following the demerger adjustment and today's multi-listing event, the combined market value of the five separate entities surged to Rs 3,65,830 crore.

For shareholders who held the stock through the corporate action, the special situation opportunity has yielded a market capitalisation gain of about Rs 63,500 crore, translating into a total return of roughly 22.5%.

## Fantastic 5 team of Vedanta shares

Here's how the value broke down among the "Fantastic 5" on listing day: [Vedanta Aluminium Metal](#) debuted at Rs 527, [Vedanta Power](#) at Rs 41.30, [Vedanta Iron & Steel](#) at Rs 22, and [Vedanta Oil & Gas](#) at Rs 39, together adding up to Rs 629.30. Residual Vedanta Limited's market cap stood at Rs 1,21,000 crore, while [Vedanta Aluminium Metal](#) alone commanded Rs 2,06,000 crore, emerging as the single largest entity by value. Vedanta Power was valued at Rs 16,149.90 crore, Vedanta Iron & Steel at Rs 7,821 crore, and Vedanta Oil & Gas at Rs 14,859.47 crore.

Analysts say the rationale behind the listing pop is straightforward. According to market experts, the investment case rests on the idea that Vedanta had long

traded at a steep holding-company discount because of its complexity as a diversified conglomerate, and that splitting into focused, independently managed entities could eliminate this discount and trigger a re-rating closer to intrinsic value.

"24 years ago, Vedanta became the first Indian company to list on the London Stock Exchange and went on to become a FTSE100 company. The seed we sowed that day has grown into a vast banyan tree, and the saplings nurtured under it are now ready to become giants in key sectors and contribute significantly to India's rapid growth," Vedanta Group Chairman Anil Agarwal said at the listing ceremony.

Over the last five years, Vedanta shares have delivered a total shareholder return of more than 300%, nearly five times the return of the Nifty, while also providing a cumulative dividend yield of over 70%.

**Also Read | [Vedanta Share Price Live Updates: How Vedanta shares are trading after demerger](#)**

### **What Vedanta bulls are saying**

Khandwala Securities was among the most bullish, framing the demerger as a major value-unlocking event backed by record FY26 financials, sub-1x Net Debt/EBITDA leverage, and strong execution. The brokerage noted the group has already deployed Rs 14,918 crore in growth capex, setting up an earnings pipeline through FY27-28, and argued the restructuring removes the typical 20-40% conglomerate discount seen across diversified Indian groups, with each business expected to draw sector-specific investors and peer-based valuations.

The brokerage flagged Vedanta Aluminium as India's lowest-cost integrated producer with unmatched scale, residual Vedanta Ltd (via its [Hindustan Zinc](#) holding) as carrying 56% EBITDA margins and record reserves, Malco Energy as a debt-free entity with the ASP injection project as a production catalyst, and the power business as having doubled its EBITDA on capacity expansion.

### **Vedanta Aluminium new crown jewel**

ICICI Securities' Vikash Singh struck a similarly constructive note, valuing residual Vedanta Ltd's zinc, copper, display, and electronics businesses at Rs 369/share in a sum-of-the-parts framework, of which Rs 323 comes from Zinc India after applying a 25% holding discount. He pegged aluminium, the new "crown jewel," at Rs 398/share, citing an ongoing war-driven global aluminium supply deficit and improving coal integration as upside catalysts.

**Also Read | [Vedanta listing: Why its aluminium business is the undisputed crown jewel of the mega demerger](#)**

Singh projected a 23% EBITDA CAGR through FY26-28E for the group, supported by cost-cutting, rising production and a broader commodity price upswing, while expecting net debt — which he said has now peaked — to keep declining as cash flows improve. He noted aluminium, zinc and silver together account for over 80% of group EBITDA, while the power business carries significant optionality given plans to more than double power assets

over the next 4-5 years.

The structural rationale, analysts said, goes beyond valuation arithmetic: the split lets investors directly back the specific commodity cycles they want exposure to, rather than buying a diversified basket.

### **How Vedanta's empire splits 5 ways**

The five demerged entities break down as follows. Residual Vedanta Ltd retains Hindustan Zinc — covering zinc, lead and silver — along with Zinc International, copper, ferro chrome, nickel, and newer ventures like displays and electronics. Vedanta Aluminium houses the aluminium operations, including the Jharsuguda and BALCO smelters (with a 51% stake in BALCO) and the Lanjigarh alumina refinery, plus captive coal and bauxite mines. Vedanta Power operates the group's thermal plants — Talwandi Sabo (1,980 MW), Jharsuguda IPP (600 MW), Meenakshi (1,000 MW) and Atena (1,200 MW).

Vedanta Oil & Gas houses Cairn Oil & Gas, India's largest private crude producer, contributing roughly 25% of the country's total oil and gas output. And Vedanta Steel & Ferrous oversees iron ore operations across Karnataka, Goa, Odisha and Liberia, along with the ESL Steel business.

Credit rating agencies have moved in tandem with the market's positive read. [ICRA](#) upgraded Vedanta Limited's long-term rating to AA+ with a Stable outlook, removing it from a prolonged watch with developing implications, citing greater clarity on asset and liability allocation post-demerger and a Group OPBDITA of \$6.7 billion in FY2026.

Vedanta Aluminium Metal Limited also saw its rating upgraded to AA+ (Stable), with ICRA pointing to firm LME aluminium prices, which averaged \$2,771/tonne in FY2026, around 10% higher than the previous year, and expectations of OPBDITA/tonne exceeding \$1,250/tonne in FY2027.

Vedanta Ltd's Q4FY26 results, its last as the combined entity, showed revenue of ₹51,524 crore (up 29% YoY), EBITDA of ₹18,447 crore (up 59% YoY) at a record margin of around 44%, and profit after tax of ₹9,352 crore (up 89% YoY), its best-ever quarterly performance. For the full year, revenue came in at ₹1,74,075 crore (up 15%), EBITDA at ₹55,976 crore (up 29%), and PAT at ₹25,096 crore (up 22%). Net debt/EBITDA improved to 0.95x, the best in 14 quarters, while return on capital employed hit a record -32%. Total shareholder return for the year stood at 48.6%, more than double the Nifty Metal Index, placing the stock among the top three wealth creators in the Nifty 100.

For now, the market's verdict on day one appears clear: breaking up Vedanta has, at least initially, made its parts worth more than the whole.

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