Q1 PROFIT JUMPS 152% ON STRONG REVENUE GROWTH

Vedanta Bets on Hind Zinc for Next Phase of Growth

Incoming CEO Arun Misra expects co to regain its pre-demerger earnings scale within five-six years

Nikita Periwal

Mumbai: The recently restructured Vedanta, with a much lighter portfolio than earlier, is set to see significant growth over the next five to six years, led by Hindustan Zinc and the critical minerals it adds to its portfolio, incoming CEO Arun Misra told **ET**.

"In five to six years, this Vedanta will have the same EBITDA (earnings before interest, tax, depreciation and amortisation) it had prior to the demerger, simply because the expansion of Hindustan Zinc is a reality," Misra said in an exclusive interaction. "It is not just on paper; it is happening on the ground."

Following the recently concluded five-way demerger, Vedanta's portfolio comprises zinc operations in India and abroad, ferrochrome and copper. Vedanta Aluminium Metal, Vedanta Oil and Gas, Vedanta Power, and Vedanta Iron and Steel are independently listed demerged entities, with the promoter holding more than 50% in each of these companies.

Arun Misra

"Between Vedanta and Hindustan Zinc, they have 10 new blocks of critical minerals allocated, which can add a much larger portfolio in five to six years," Misra said.

Earlier the CEO of Hindustan Zinc, Misra will helm the new-look Vedanta from August 1.

The company plans a capex of around ₹6,000-7,000 crore this fiscal, the majority of which will be used for capacity expansion at Hindustan Zinc.

PROFIT JUMPS 152% IN Q1

For the June quarter, the company reported a consolidated net profit of ₹5,294 crore from continuing operations, up 152% year-on-year. Revenue rose 51% year-on-year to ₹23,456 crore, while EBITDA stood at ₹8,469 crore, up 98% from a year earlier.

Vedanta Bets on Realty Spin-Off to Unlock Value

Vedanta has proposed demerging its real estate business to unlock shareholder value, estimating the new entity could eventually be worth as much as ₹30,000 crore.

The demerged company, Vedanta Property Platforms (VPPL), will house about 2,200 acres of industrial land and 55,000 sq ft of residential and commercial property.

Calling it the "next phase of shareholder value creation," Vedanta said the move would create a focused real estate platform with multiple growth opportunities.

The demerger is targeted for completion by September 2027.