

VEDANTA LIMITED



DECEMBER 2024

WHY IT IS A BUY:

- High management efficiency with a high ROCE of 25.51%.
- Strong ability to service debt as the company has a low Debt to EBITDA ratio of 0.84 times.
- Positive results in Sep 2024
 - PAT (Q) at Rs 2,980.80 Cr has grown at 124.1%
 - OPERATING CF (Y) Highest at Rs 35,654 Cr
 - EPS (Q) Highest at Rs 11.13
- With ROCE at 27.5, it has very attractive valuation with a 2.5 Enterprise value to Capital Employed.
- Company has been maintaining a healthy dividend payout of 235%.
- With its market capitalization of Rs 1, 77,375 Cr it is the second biggest company in the sector and constitutes 40.68% of the entire sector.
- Stock is technically in a BULLISH stance: Monthly Chart Cup and Handle breakout.
- High FII Holdings at 11.45% and DII holdings at 16.29%.

Investors Returns (3 years)

Period	6M	1Y	2Y	3Y
Stock (%)	5.49%	114.61%	82.98%	86.71%
Sector (%)	-25.43%	-25.43%	81.02%	70.76%
Sensex (%)	6.99%	19.14%	27.16%	39.20%

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DECEMBER 2024

High management efficiency with a high ROCE of 25.51%

Company has been able to generate a ROCE of 25.51% signifying high profitability per unite of total capital.

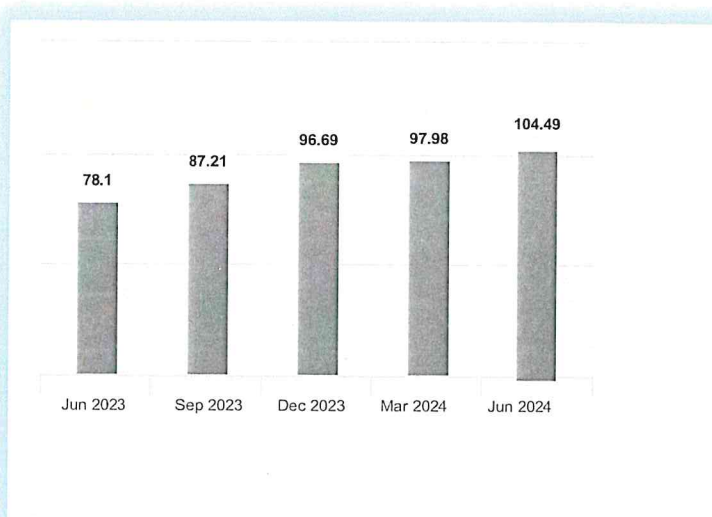
Company's high dividend payout ratio of 235% signifying the profits of the company.

High tax ratio signifies that profits generated and is making adequate contributions towards by paying due taxes.

Positive Results in SEPTEMBER 2024.

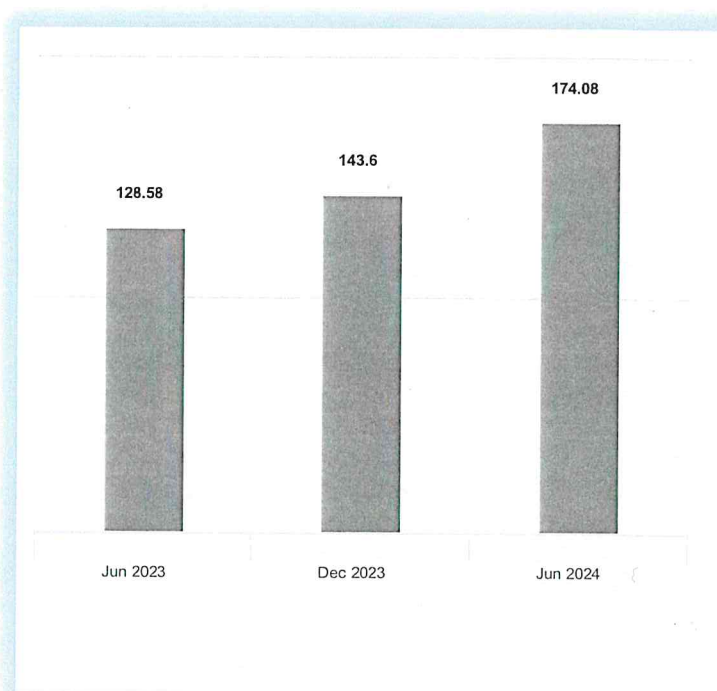
Company has generated higher cash revenues from business operations

Operating cash flows highest at Rs 35,654 Cr and in the last 5 years.



Increasing profitability: Company has created higher earnings for shareholders

EPS highest at Rs 11.13 in the last five years.



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DECEMBER 2024

QUARTERLY RESULTS:

	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24
Sales	37930	33733	38945	35541	35509	35764	37634
Expenses	28471	27313	27466	27010	26741	25819	27806
Operating Profit	9459	6420	11479	8531	8768	9945	9828
OPM%	25%	19%	29%	24%	25%	28%	26%
Other Income	-631	2326	1863	779	385	934	3168
Interest	1805	2110	2523	2417	2415	2222	2667
Depreciation	2765	2550	2642	2788	2743	2731	2696
Profit before tax	4258	4086	8177	4105	3995	5926	7633
Ta%	26%	19%	111%	30%	43%	14%	27%
Net Profit	3132	3308	-915	2868	2275	5095	5603
EPS in Rs	5.06	7.10	-4.80	5.42	3.68	9.70	11.13

ANNUAL RESULTS:

	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	91866	92048	84447	88021	132732	147308	143727
Expenses	66989	68877	63704	60703	87908	112877	108415
Operating Profit	24877	23171	20743	27318	44824	34431	35312
OPM %	27%	25%	25%	31%	34%	23%	25%
Other Income	6087	4270	-14932	2743	1832	2625	5239
Interest	5112	5689	4977	5210	4797	6225	9465
Depreciation	6283	8192	9093	7638	8895	10555	10723
Profit before tax	19569	13560	-8259	17213	32964	20276	20363
Tax %	30%	28%	-43%	13%	28%	28%	63%
Net Profit	13692	9698	-4744	15032	23710	14503	7539
EPS in Rs	27.82	19.01	-17.93	31.21	50.58	28.45	11.40

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BALANCE SHEET:

	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Equity Capital	372	372	372	372	372	372	372
Reserves	62940	61925	54263	61906	65011	39051	30350
Borrowings	58159	66226	59187	57669	53583	80329	87706
Other Liabilities	58896	70045	66915	63549	74981	69703	69690
Total Liabilities	180367	198568	180737	183496	193947	189455	188118
Fixed Assets	78455	86327	86127	88002	89498	90483	92551
CWIP	32055	24959	18585	16314	15879	19529	22889
Investments	28700	33065	24753	16660	17291	13150	11869
Other Assets	41157	54217	51272	62520	71279	66293	60809
Total Assets	180367	198568	180737	183496	193947	189455	188118

SHAREHOLDING PATTERN:

	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24
PROMOTERS	68.11%	68.11%	63.71%	63.71%	61.95%	59.31%	56.38%
FII	7.89%	7.48%	7.82%	7.74%	8.77%	10.23%	11.45%
DII	10.20%	9.98%	10.59%	11.19%	13.15%	14.78%	16.29%
PUBLIC	13.63%	14.29%	17.74%	17.23%	15.86%	15.41%	15.64%

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TECHNICAL ANALYSIS:



The above Monthly chart prices made an all-time highs of 495 in May 2010 since then the prices traded sideways to lower in the consolidation phase of 68-450 levels. Prices breached the “**Cup and Handle**” formation which is the cup formation decline and recovery from the May 2010 to April 2022 and the handle formation from high of 440.75 to 206 levels. Prices breached the trend line resistance resuming the bullish trend intact and sustaining well above the same suggesting the bullishness. The RSI 14 period is trading at 65 level which is showing strength and suggests that momentum is turning in favor of the bulls and we expect prices to trade higher in the coming months.

Sources:

www.nseindia.com www.bseindia.com www.moneycontrol.com
www.screener.in www.in.tradingview.com



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DECEMBER 2024

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VEDANTA LIMITED



DECEMBER 2024

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