

# DEBT PRESSURE EASES AFTER RECENT \$1-BN RAISE Vedanta puts \$2.5-billion steel business sale on hold

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**VEDANTA HAS PUT** a plan to sell its steel business on hold after a \$1-billion share sale gave the company more breathing room with its finances, and as environmental and regulatory concerns deter potential bidders, sources said.

Anil Agarwal-controlled Vedanta had been working with advisers on a sale of the business, which includes iron-ore and manganese mines, to raise about \$2.5 billion to help reduce the group's debt load, the sources said.

Vedanta's billion-dollar fundraising through a share placement last month has eased some of the debt pressure and reduced the need to

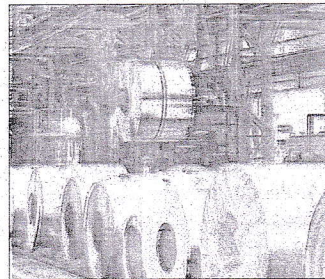
## AT A GLANCE

■ Vedanta had to sell steel business to help reduce the firm's debt load

■ The group is also planning to split the conglomerate into six different companies

■ The firm has been accused of lobbying the govt to weaken norms during the pandemic

■ Vedanta entered the steel business in 2018 when it bought a 90% stake in ESL Steel



sell, the sources said. The company may revisit a sale later, they added, without disclosing any specific environmental or regulatory concerns surrounding the steel business.

Industrial projects in India

are often dogged by issues such as overpollution and protests over human displacement, rights abuses and wildlife habitat destruction. Last year, the Organised Crime and Corruption Reporting Project pub-

lished an investigation that said Vedanta lobbied the government to weaken key environmental regulations during the Covid pandemic.

A representative for Vedanta said the company would still consider selling its steel operations at the right price.

Vedanta entered the steel business in 2018 when it bought a 90% stake in ESL Steel, which has operations in Bokaro. Its products include pig iron, billets, TMT bars, wire rods and ductile iron pipes, the company's website shows.

Considerations for a sale followed Vedanta's board approving a plan last year to split the conglomerate into six different companies. Vedanta said at the time the demerger should be completed this financial year through March 2025. —BLOOMBERG