



Vedanta – SEBI Confirms Investigation

The market regulator's abeyance of Sterlite Electric's IPO confirms an active probe into Vedanta Resources & its promoter-linked network. This is a decisive escalation in the group's regulatory crisis.

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October 28, 2025 – One day after the publication of our October Regulatory Update, the Securities and Exchange Board of India (SEBI) all but confirmed that the Vedanta Resources Group, and Anil Agarwal's empire more broadly, is under investigation.

In its October 24, 2025, publication detailing the processing status of draft offers, SEBI listed the status of Vedanta Resources' fellow subsidiary Sterlite Electric Limited's IPO as under abeyance¹.

V) Issuance of observations kept in abeyance:

S.No	Name of the Issue	Coordinating LM	Type of Issue	Date of Receipt	Last Date of Communication
1	Sterlite Electric Limited	Axis Capital	IPO (Fresh + OFS)	03 October 2025	24 October 2025

Figure 1 – SEBI Processing Status: Issues October 24, 2025

Abeyance refers to a formal pause wherein SEBI suspends the processing of a company's draft offer document.

Accordingly, in exercise of the powers conferred under sub-clause (ii) of clause (b) of sub-section (1) of section 11A of the Act, the Board hereby issues the following General Order to formalize the issuance of observations on draft offer documents filed with the Board, where an investigation, enquiry, adjudication, prosecution, disgorgement, recovery or other regulatory action is pending against the issuer or its promoter(s)/director(s)/group companies ("the entities").

Figure 2 – SEBI General Order No. 1 of 2020

Under General Order No. 1 of 2020, SEBI must place an issue in abeyance if there is²:

1. Probable cause for investigation or enquiry.
2. An ongoing investigation or enquiry into the entity.
3. Non-compliance with SEBI directions.
4. A show-cause notice in process, especially under Section 11B – Serious Fraud or Mismanagement.

Notably the SEBI General Order applies when regulatory action is against the issuer's promoters, directors, or group companies.

Sterlite Electric Limited is a fellow subsidiary of Vedanta Limited, immediately held by Agarwal-owned Twin Star Overseas Limited³. This makes Vedanta Resources a sibling entity, not a direct parent, suggesting that the regulatory investigation is aimed above VEDL at the broader promoter level structure.

This action is neither technical nor voluntary, but procedural under SEBI law. **It confirms an active investigation or enforcement action involving Vedanta Resources Limited and its subsidiaries.**

We are currently assessing the impact this action will have on the Vedanta Resources Group's fundraising ability, as well as Vedanta Limited's troubled and delayed demerger.

Vedanta Resources Limited and its subsidiaries have consistently downplayed the risk of regulatory intervention despite significant non-compliance across its operations. **The abeyance order removes all doubt: regulatory risk to Vedanta Resources is intensifying.**

¹ https://www.sebi.gov.in/filings/processing-status/oct-2025/processing-status-issues_96940.html

² https://www.sebi.gov.in/legal/general-orders/feb-2020/sebi-issuing-observations-on-draft-offer-documents-pending-regulatory-actions-order-2020_45903.html

³ As of March 31, 2025, Sterlite Electric listed Twin Star Overseas and Vedanta Limited as holders of 69.46% and 1.51% of its shares, respectively.



Attention: Whistleblowers

Viceroy encourage any parties with information pertaining to misconduct within Vedanta Resources, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

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