



October 27, 2016

The Secretary, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.
Maharashtra, India.
Scrip Code: 500470

The Manager, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.
Maharashtra, India.
Symbol: TATASTEEL

Dear Sirs/Madam,

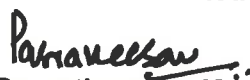
Sub: Press Release

Please find enclosed the press release titled "Tata Steel announces equity partnership for its Canadian Iron Ore Mines, significant milestone in Kalinganagar India and continued pursuit of its European strategy".

This disclosure is made in compliance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is for your information and records.

Thanking you

Yours faithfully,
Tata Steel Limited

Parvatheesam K
Company Secretary

Encl: As above

TATA STEEL LIMITED

Registered Office: Bombay House, 24, Horni Mody Street, Mumbai 400 001, India
Tel: 91 22 6665 8282 Fax: 91 22 6665 7724 website: www.tatasteel.com
Corporate Identity Number: L27100MH1907PLC000260

Tata Steel announces equity partnership for its Canadian Iron Ore Mines, significant milestone in Kalinganagar India and continued pursuit of its European strategy

Mumbai, October 27, 2016:

Equity partnership for Canadian Iron Ore Mines

Tata Steel Minerals Canada together with its parent companies signed Definitive Agreements for concluding investments of C\$ 125 million as Equity and C\$ 50 million as Debt with Government of Quebec's investment entities, Resources Quebec (RQ) and Investment Quebec (IQ) respectively, totaling C\$ 175 million.

Tata Steel has invested in Eastern Canada to set up mining operations across several deposits straddled across the Quebec-Newfoundland and Labrador- peninsula and multiple processing facilities including a state-of-the-art beneficiation plant. The project has consequently enabled the development of infrastructure facilities including rail, roads, telecommunications and Port that has had significant positive impact in the socio economic landscape in Quebec and Newfoundland and Labrador.

The investment will result in an 18% equity stake for Resources Quebec in Tata Steel Minerals Canada in line with the carrying value of the investment in Canadian iron ore assets for Tata Steel. Consequently, the shareholdings of Tata Steel and New Millennium Iron will be adjusted to 77.68% and 4.32% respectively.

Mr. Koushik Chatterjee, Group Executive Director (Finance and Corporate), Tata Steel Limited said "Today we have begun a new chapter in the future of iron ore mining in Eastern Canada. We are pleased to welcome Government of Quebec as a strategic equity partner to Tata Steel in this venture, particularly in these uncertain and challenging times for the global iron ore industry. This investment signals Government of Quebec's co-operation in supporting sustainable development in line with the objectives of its Plan Nord Initiative. We are confident that the Quebec Government's investment will facilitate the implementation of Tata Steel Mineral Canada's future plans of ramping up production, improving cost competitiveness and the development of the mineral deposits in Quebec"

Significant milestone in Kalinganagar India and continued pursuit of its European strategy

Over the last few days, Tata Steel has received several queries with respect to news reports regarding potential asset impairment, its European Strategy and its India operations. The following statement is intended to provide clarity and transparency in this matter.

Tata Steel has clarified to the stock exchanges that the financial statements of the Company are prepared every quarter on a going concern basis and present a true and fair view of the state of affairs of the Company. These financial statements are duly reviewed by the Audit Committee and approved by the Board of Directors of the Company.

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As part of the preparation of financial statements, the value-in-use of the assets of the Company are tested for impairment as per the applicable Accounting Standards. Based on the above assessments and triggered by severe challenges in the underlying macro-economic and business conditions especially in Europe for several years post the global financial crisis the Company has taken several impairment provisions in the recent years which have been duly recognized in the financial statements and disclosed as per the SEBI Listing Regulations. In line with the changes in regulations, the Company has adopted the IND-AS with effect from April 1, 2016 and the financial results for the quarter ended June 30, 2016 have been prepared in accordance with the recognition and measurement principles laid down in the IND-AS 34 on Interim Financial Reporting. In accordance with IND-AS 101, on transition, the Company elected fair value as deemed cost of certain assets including property, plant and equipment and investments in subsidiaries as at April 1, 2015. The net changes in the above have been reflected in the opening reserves on transition. As per the Company's policy, in future,, if there are further impairment indicators, the Company in accordance with the Indian Accounting Standards would undertake the comparative assessment of the fair value and the value in use of the assets and recognize the difference as per the applicable Accounting Standards and disclose appropriately.

Tata Steel's India operations have recently achieved a major milestone of production of 1 million tons of Hot Metal in the new greenfield steel plant in Kalinganagar, Odisha in less than six months of formal commissioning of the facilities. Similar ramp up in production has been achieved in the steel making facilities in Kalinganagar and in the last month, the combined monthly sales of Tata Steel Jamshedpur and Kalinganagar crossed 1 million tons for the first time.

In response to the recent media reports, Tata Steel would also like to clarify that it continues to pursue its European consolidation strategy and the talks with thyssenkrupp AG (as announced on July 8, 2016) for a potential joint venture of its European steel business are currently ongoing and progressing. However, there can be no guarantee that these talks will result in a definitive agreement between the parties.

Tata Steel UK is also deeply engaged with all relevant stakeholders in the UK to find a structural solution and a way forward with regard to the affordability of the legacy pension scheme liabilities. A successful outcome of the above engagement would significantly help in developing the foundation for a sustainable future for the UK business. Tata Steel would also like to reaffirm that it is currently pursuing a separate process for the potential sale of the South Yorkshire-based Specialty Steels business in the UK. Any further announcement on the matter will be made at an appropriate time. In the meanwhile, the management team and the employees of the company continue to work on improving the underlying performance of the European business amidst challenging business conditions.

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for immediate use

Press Release

For media enquiries contact:**India:**

Kulvin Suri,
Tel: +91 657 664 5512/+91 92310 52397
email: kulvinsuri@tatasteel.com

Europe:

Tata Steel Europe press office,
+44 (0)203 8176 693,
email: tatasteelpressooffice@hanovercomms.com

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@TataSteelEurope



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The document contains statements that may constitute as forward looking statements under applicable securities laws and regulations. These statements are based on the current expectations and certain assumptions of Company's management, of which many may not be under our control and that actual event/transaction may vary from the proposal. The Company neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

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