



August 11, 2017

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 Madam, Sirs,

**Sub: Press Release**

Please find enclosed the press release titled "**Tata Steel UK Limited signs documentation for a Regulated Apportionment Arrangement in relation to the British Steel Pension Scheme**".

This disclosure is being made in compliance with Regulation 30 of the SEBI (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**

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Corporate Identity Number L27100MH1907PLC000260

11 August 2017

## **Tata Steel UK Limited signs documentation for a Regulated Apportionment Arrangement in relation to the British Steel Pension Scheme**

Tata Steel UK today (11 August) announced it had signed the documentation for a Regulated Apportionment Arrangement (RAA) with the Trustee of the British Steel Pension Scheme, offering more sustainable outcomes for pensioners, employees and the business.

When the RAA takes effect the British Steel Pension Scheme will be separated from Tata Steel UK and a number of affiliated companies.

It follows an announcement on 16 May that the key commercial terms of an RAA had been agreed in principle between the company and pension scheme Trustee [see Notes to editors].

Consequent to the signing of the documentation, The Pensions Regulator has issued a determination notice and a clearance statement in response to Tata Steel's application for clearance and approval in respect of the RAA. This has resulted in the commencement of a 28-day period, during which directly affected parties by the RAA may refer the decision to approve the RAA before a tribunal of the UK court system called the Upper Tribunal. The Pension Protection Fund has today issued confirmation of non-objection to the RAA.

At the end of that period, and in the absence of any referrals, it is expected that The Pensions Regulator will confirm its approval of the RAA, which would take effect after Tata Steel UK makes a payment of £550 million to the British Steel Pension Scheme. At the same time, shares in Tata Steel UK would be issued to the British Steel Pension Scheme Trustee under the terms of a shareholders' agreement, which would lead to a 33% economic equity stake in Tata Steel UK being held by the Trustee.



When the RAA takes effect as planned, it would separate the British Steel Pension Scheme from Tata Steel UK and the pension scheme's other participating employers (certain subsidiaries of Tata Steel UK). Following a member-consent exercise (explained below), the British Steel Pension Scheme would enter an assessment period with respect to its entry into the Pension Protection Fund.

Tata Steel UK has also reached an agreement for the sponsorship of a proposed new pension scheme. Sponsorship of this new scheme is conditional on certain qualifying conditions being met. All members of the British Steel Pension Scheme would be invited to transfer to the new scheme subsequent to the completion of the RAA. If the qualifying conditions are met, members who choose to, will transfer to the new scheme.

The new scheme would have lower future annual increases for pensioners and deferred members than the British Steel Pension Scheme, giving it an improved funding position which would pose significantly less risk for Tata Steel UK. There remains no certainty with regards to the eventual existence, size or form of the new scheme and the funding position and membership of any new scheme is still dependent on the results of the proposed voluntary membership transfer exercise.

Koushik Chatterjee, Tata Steel's Group Executive Director, said: "The RAA process has been a long and detailed one, and I would like to thank the Pensions Regulator, Pension Protection Fund, the Trustee of the British Steel Pension Scheme, its members, the unions and employees – indeed, all our stakeholders, including the Governments of the UK and Wales, for their constructive engagement through the process.

"Considering the continued challenges in the global steel industry as well as the uncertain global politico-economic environment, the RAA presents the best possible structural outcome for the members of the British Steel Pension Scheme and for the Tata Steel UK business.

"The RAA is one important milestone in Tata Steel UK's journey towards a sustainable and enduring future, with pension obligations, whose risk profile would be consistent with the underlying business. The net financial impact of the RAA including the payment of the agreed amount would be reflected in the Q2 FY'18 financials for the company."

*Parraneston*

Notes for editors:

Tata Steel announced on May 16 that the key commercial terms of a Regulated Apportionment Arrangement (RAA) had been agreed in principle between Tata Steel UK and the Trustee of the British Steel Pension Scheme. These terms are in line with the published principles of TPR and PPF. It was noted at that time that the RAA remained subject to the agreement of detailed documentation with the pension scheme Trustee, as well as formal approval by the UK Pensions Regulator and non-objection from the UK Pension Protection Fund

*-ends-*

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**About Tata Steel's European operations**

Tata Steel is one of Europe's leading steel producers, with steelmaking in the UK and Netherlands, and manufacturing plants across Europe. The company supplies high-quality steel products to the most demanding markets, including construction, automotive, packaging, lifting & excavating, energy and aerospace. Tata Steel works with customers to develop new steel products that give them a competitive edge. The combined Tata Steel group is one of the world's largest steel producers, with a steel capacity of more than 28 million tonnes and 75,000 employees across five continents.

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*Pabranesan*