August, 5 2015

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: UPDATE ON RECENT DEVELOPMENTS

MINING OPERATIONS OF THE COMPANY

The Company's captive iron ore mining leases in the State of Odisha have been extended till 2030 in accordance with the provisions of the MMDR Amendment Act, 2015. However, the Government of Jharkhand has not yet allowed the execution of the supplementary lease deed for extension of the Noamundi iron ore mine in spite of several representations made by the Company on the subject to the State. The MMDR Amendment Act 2015 stipulates the extension of the captive mining leases up to 31st March 2030 from the date of expiry of the period of last renewal. Applying its own interpretation of the legislative and judicial pronouncements, Government of Jharkhand has stipulated certain onerous terms and conditions for allowing extension of the mining lease of Noamundi, which are not in conformity with the MMDR Amendment Act 2015.

As the Company did not accept the position taken by the Government of Jharkhand before and after promulgation of the MMDR Amendment Act 2015, the Department of Mines, Government of Jharkhand, has stopped the issuance of challans (forwarding notes) for despatch of iron ore from our Noamundi iron mine in Jharkhand to our steel plant at Jamshedpur. This has resulted in stoppage of despatches of iron ore from Noamundi to Jamshedpur Steel Plant. The Company has decided to seek legal recourse to resolve this impasse.

While stoppage of despatches from Noamundi will financially impact the Company till the matter is resolved, the Company has taken all measures to ensure that operations of Jamshedpur are unaffected by the actions of the State and the Company remains committed to its customers and other stakeholders.

EUROPEAN LONG PRODUCTS BUSINESS

Tata Steel today confirms negotiations about the potential sale of its European long products business and associated distribution facilities to Klesch Group have been discontinued. The Company had been in talks with Klesch following the signing of a Memorandum of Understanding in October 2014.

As of 2 August 2015, the long products business, with the associated distribution facilities, became a 100% subsidiary of Tata Steel UK Limited. With the hive down of the long products into a wholly owned subsidiary, the new structure will enable the Company to evaluate and execute strategic options in the future.

PENSION SCHEMES IN TATA STEEL EUROPE

a) British Steel Pension Scheme, UK

Following the trade union recommendation to the members for the modification option changes to the British Steel Pension Scheme and the trade union members vote in support of this, Tata Steel UK Limited, a subsidiary of Tata Steel confirms that the formal consultation with employees on the changes has been completed and that the trustee body and the Company have made the amendments to the scheme to enable the benefit changes to be adopted.

b) Stichting Pensioenfonds Hoogovens , Netherlands

On 7 July, 2015, the execution agreement for the Company's main pension scheme in the Netherlands, Stichting Pensioenfonds Hoogovens (SPH), was signed by Tata Steel Limited's subsidiary Tata Steel Nederland BV and the SPH Board. The terms of this agreement will allow the scheme to be classified as a defined contribution scheme with effect from 7 July, 2015 rather than defined benefit scheme.

This is for your information and records.

Yours faithfully,
Tata Steel Limited

Parvatheesam K
Company Secretary