

# Tata Steel signs pact with UK govt for £500 m grant

**GREEN STEEL.** The company will invest £1.25 billion to put up an electric arc furnace

**Our Bureau**  
Mumbai

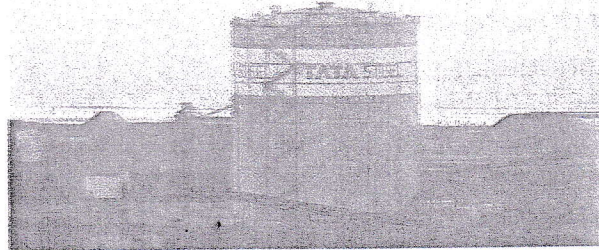
Tata Steel has signed an agreement with the UK government for receiving £500-million in grant for its upcoming green steel project at Port Talbot steelworks in Wales.

In one of the largest investments in the UK steel industry, Tata Steel will invest £1.25 billion to set up a modern steel making process through electric arc furnace in three years and shut down the existing blast furnaces.

Tata Steel has signed a £500-million Grant Funding Agreement with the UK government allowing it to proceed at pace with the project to install an electric arc furnace at the Port Talbot steelworks in Wales, said the company in a statement on Wednesday.

## **EMPLOYEE SUPPORT**

Of the overall investment,



**WORK IN PROGRESS.** With the grant, Tata Steel can install an electric arc furnace at the Port Talbot steelworks in Wales. REUTERS

Tata Steel will pump in £750 million. The new project will result in job loss of 2,500 while retaining 5,000 workforce.

Tata Steel has offered a most generous support package to employees leaving the company and a comprehensive voluntary redundancy aspiration process, combined with cross-matching and re-skilling.

For employees selected as being at-risk of compulsory redundancy, the company will provide the option to participate in a paid re-training

scheme to secure alternative employment, it said in the statement.

The company has closed down one blast furnace and coke oven while the other blast furnace and wider heavy-end operations at Port Talbot will cease by month-end. The company has made supply chain arrangements to serve customers through the transition period.

## **AMBITIOUS PROJECT**

TV Narendran, CEO and Managing Director, Tata Steel,

said with the UK government's critical support, this complex and ambitious transformation of Port Talbot has the potential to make the plant one of Europe's premier centres for green steel-making.

"We will also continue our work with the Transition Board and the UK and Welsh governments to enable this project to be a catalyst for economic regeneration and job creation in South Wales," he added.

The company plans to place orders for equipment for the electric arc furnace and ladle metallurgy furnaces, a new coil box and crop shear for the hot strip mill, a cranes package and for construction management and civil engineering.

Tata Steel has been working closely with the authorities to apply for planning approvals by November, with a view to commence largescale site work from next July, it added.