

TATA MOTORS LTD/FI
Form 6-K
February 15, 2017
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16

of the Securities Exchange Act of 1934

For the Month of February 2017

Commission File Number: 001-32294

TATA MOTORS LIMITED

(Translation of registrant's name into English)

BOMBAY HOUSE

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24, HOMI MODY STREET,

MUMBAI 400 001, MAHARASHTRA, INDIA

Telephone # 91 22 6665 8282 Fax # 91 22 6665 7799

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes

No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes

No

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes

No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g 3-2(b): Not Applicable

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Item 1: 2017FY Q3 Investor presentation
2017FY Q3 Interim Financial Statements

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

Tata Motors Limited

By: /s/ Hoshang K Sethna

Name: Hoshang K Sethna

Title: Company Secretary

Dated: February 15, 2017

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Group, Company, Jaguar Land Rover and JLR refers to Jaguar Land Rover Automotive plc and its subsidiaries.

EBITDA	defined as profit for the period before income tax expense, finance expense (net of capitalised interest), finance income, depreciation and amortisation, foreign exchange gains/losses on financing and unrealised derivatives, gains/losses on unrealised commodity derivatives, share of profits/losses from equity accounted investments and exceptional items.
EBITDA margin	measured as EBITDA as a percentage of revenue.
PBT	profit before tax.
PAT	profit after tax.
Net cash	measured as cash and cash equivalents plus short-term deposits less total balance sheet borrowings (including secured and unsecured borrowings, short-term invoice discounting facilities and finance leases).
Free cash flow	reflects net cash generated from operating activities less net cash used in investing activities (excluding investments in short-term deposits) and includes foreign exchange gains/losses on short term deposits.
Total investment	reflects net cash used in investing activities and expensed R&D (not included in net cash used in investing activities) but excluding movements in other restricted deposits, movements in

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short-term deposits, finance income received and proceeds from the sale of property, plant and equipment.

FY17	12 months ending 31 March 2017.
FY16	12 months ended 31 March 2016.
CY16	12 months ended 31 December 2016.
Q3	3 months ended 31 December.
China JV	Chery Jaguar Land Rover Automotive Co., Ltd.

Table of Contents**Management's discussion and analysis of financial condition and results of operations**

Jaguar Land Rover achieved record third quarter retail sales with higher volumes in China (including China JV sales), North America and Europe led by strong sales of Discovery Sport, F-PACE and the new long wheel base Jaguar XFL in China. However, profits and margins were lower primarily reflecting lower wholesale volumes (excluding sales from the China JV), more than explained by the run-out of Discovery, and higher marketing expense. Key Q3 FY17 results are as follows:

Key metrics for Q3 FY17 results, compared to Q3 FY16, are as follows:

Retail sales of 149.3k units (including the China JV), up 8.5%.

Wholesales of 130.9k units (excluding the China JV), down 4.9%

Revenue of £6.5 billion, up from £5.8 billion.

EBITDA of £611 million (9.3% margin; 10.1% analytically adjusting revenue to include gains and losses on revenue hedges included in EBITDA), down from £834 million (14.4% margin).

PBT of £255 million, down from £499 million.

PAT of £167 million, down from £440 million.

Free cash flow before financing was £54 million after total investment spending of £926 million.

Market environment

The economic environment remained generally positive in most markets in Q3 FY17. Strong consumer spending in the UK supported solid economic performance overall, whilst sterling weakened further on Brexit concerns. Rising employment in the US drove strong economic growth and expectations for fiscal stimulus, following the election of Donald Trump, have buoyed market confidence whilst the US Federal Reserve increased rates by 0.25% in December 2016. China reported growth of 6.7% for CY16 as ongoing government stimulus supported economic performance. Growth in Europe was solid with labour markets improving. However, conditions in emerging markets remained generally challenging.

Total automotive industry car volumes (units)

	Q3 FY17	Q3 FY16	Change (%)
China	7,606,600	6,575,800	15.7%

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Europe (excluding UK)	2,348,616	2,301,200	2.1%
UK	542,291	536,617	1.1%
US	4,418,700	4,401,100	0.4%
Other markets (Including Russia and Brazil)	3,282,894	3,337,546	(1.6)%

The total industry car volume data above has been compiled using relevant data available at the time of publishing this interim report, compiled from national automotive associations such as the Society of Motor Manufacturers and Traders in the UK and the ACEA in Europe, according to their segment definitions, which may differ from those used by JLR.

Jaguar Land Rover volume performance

Q3 FY17 total retail sales for the third quarter were 149,288 units (including the China JV), up 8.5% compared to Q3 FY16, primarily driven by the new Jaguar F-PACE as well as strong sales of the Land Rover Discovery Sport and long wheel base Jaguar XFL in China. Retail sales growth year-on-year was strong in China, North America and Europe but down in the UK and in other overseas markets. Land Rover retailed 103,924 units in Q3 FY17, down 8.7% compared to Q3 FY16 as the run-out of Discovery and discontinuation of Defender outweighed continuing strong sales of Discovery Sport. Jaguar retailed 45,364 units, up 90.3% as sales of the F-PACE and long wheel base XFL in China continue to grow.

Wholesales totalled 130,910 units (excluding China JV) in Q3 FY17, down 4.9% compared to the same quarter a year ago. By brand, Jaguar wholesales in Q3 FY17 were 44,099 units, up 63.2% compared to Q3 FY16 driven by F-PACE and XE, and Land Rover wholesales were 86,811 units, down 21.5% primarily reflecting the run-out of Discovery, discontinuation of Defender, and production of the Discovery Sport at the China JV, as well as 2017 model year changeover of Range Rover and Range Rover Sport. By region, wholesales were up in North America (23.5%) and China (5.2%) but down in the UK (8.8%), Europe (13.6%) and in other Overseas markets (25.6%)

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Jaguar Land Rover's Q3 FY17 retail sales (including the China JV) by key region and model compared to Q3 FY16 is detailed in the following table:

	Q3 FY17	Q3 FY16	Change (%)
UK	24,227	24,994	(3.1%)
North America	33,630	28,073	19.8%
Europe	34,060	31,828	7.0%
China ²	36,408	26,308	38.4%
Overseas	20,963	26,450	(20.7%)
Total JLR	149,288	137,653	8.5%
F-PACE	19,336		n/a
F-TYPE	2,356	2,616	(9.9%)
XE	10,878	11,420	(4.7%)
XF ²	9,745	6,802	43.3%
XJ	3,049	2,991	1.9%
XK ¹		12	n/a
Jaguar²	45,364	23,841	90.3%
Discovery Sport ²	30,787	26,588	15.8%
Discovery ¹	8,009	13,844	(42.1%)
Range Rover Evoque ²	27,688	28,406	(2.5%)
Range Rover Sport	22,723	22,386	1.5%
Range Rover	14,656	16,567	(11.5%)
Defender ¹	59	5,997	(99.0%)
Freelander ¹	2	24	(91.7%)
Land Rover²	103,924	113,812	(8.7%)
Total JLR	149,288	137,653	8.5%

¹ Production of the Jaguar XK, Land Rover Freelander, Defender and Discovery models have now been discontinued.

² China JV retail volume in Q3 FY17 was 19,395 units (10,406 units of Discovery Sport, 5,186 units of Evoque and 3,803 units of Jaguar XFL).

Revenue and profits

Q3 FY17 revenue was £6.5 billion, up from the £5.8 billion in Q3 FY16 as favourable foreign exchange movements more than offset lower wholesale volumes. Revenue for the 9 months to 31 December 2016 was £18.0 billion, up

£2.3 billion compared to the same period a year ago.

EBITDA of £611m (9.3% margin) compared to £834m (14.4%) a year ago, primarily reflecting:

Lower wholesale volumes and less favourable product mix partially offset by favourable market mix (including the run-out of Discovery)

Unfavourable variable marketing expense (including extended 16MY run-out expense in the US)

Higher new model launch costs and Biennial pay negotiation settlement

Favourable operating exchange offset by realised hedges

The EBITDA margin analytically adjusting revenue for the inclusion of FX hedging gains and losses included in EBITDA was 10.1%.

EBITDA for the 9 months to 31 December 2016 was £1.9 billion (10.6% margin), down £346 million compared to the same 9 month period last year.

PBT was £255 million in Q3 FY17, down from £499 million a year ago predominantly reflecting:

Lower EBITDA (£223 million) and higher depreciation and amortisation (£52 million)

Unfavourable unrealised FX and commodity hedge revaluation as well as USD debt revaluation (£42 million)

Higher China JV profits (£13 million) and lower net finance expense (£5 million)

Further £85 million of exceptional recoveries related to Tianjin (£55 million)

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PBT for the 9 months to 31 December 2016 was £934 million, down £46 million compared to the same period last year.

PAT for Q3 FY17 was £167 million, compared to £440 million in the same period last year. PAT for the 9 months to 31 December 2016 was £715 million, down £125 million compared to last year.

EBITDA reconciliation

Quarter ended 31 December (£ millions)	2016	2015
EBITDA Margin	9.3%	14.4%
EBITDA	611	834
Adjustments:		
Depreciation and amortisation	(409)	(357)
Foreign exchange losses - financing	(54)	(36)
Foreign exchange losses - unrealised derivatives	(13)	43
Commodity losses - unrealised derivatives	5	(27)
Finance income	7	9
Finance expense (net)	(12)	(19)
Share of profit from equity accounted investments	35	22
Profit before tax and exceptional item	170	469
Exceptional item	85	30
Profit before tax	255	499
Income tax expense	(89)	(59)
Profit after tax	166	440

Cash flow, liquidity and capital resources

Free cash flow before financing in Q3 FY17 was £54 million after £926 million of total investment spending with £282 million of favourable working capital, non-cash accrual and other movements (including the c.£68 million dividend received from the China JV in November 2016). In the quarter, £830 million of investment spending was capitalised and £96 million was expensed in EBITDA.

After the free cash flow of £54 million, finance expenses/fees paid of £26 million and a £24 million decrease in the utilisation of a short-term debt facility, cash and financial deposits at 31 December 2016 stood at £3.8 billion (comprising £1.9 billion of cash and cash equivalents and £1.9 billion of financial deposits). This includes an amount of £567 million held in subsidiaries of Jaguar Land Rover outside of the United Kingdom. The cash in some of these jurisdictions is subject to impediments to remitting cash to the UK other than through annual dividends. As at 31 December 2016, the Company also had an undrawn revolving credit facility totalling £1.9 billion, all maturing in July 2020, and £146 million of undrawn short-term committed credit facilities.

Debt

The following table shows details of the Company's financing arrangements as at 31 December 2016:

(£ millions)	Facility amount	Outstanding	Undrawn
Committed			
£400m 5.000% Senior Notes due Feb 2022**	400	400	
£400m 3.875% Senior Notes due Mar 2023**	400	400	
\$500m 5.625% Senior Notes due Feb 2023*	407	407	
\$700m 4.125% Senior Notes due Dec 2018**	570	570	
\$500m 4.250% Senior Notes due Nov 2019**	407	407	
\$500m 3.500% Senior Notes due Mar 2020**	407	407	
Revolving 5 year credit facility	1,870		1,870
Receivable factoring facilities***	285	139	146
Finance lease obligations	8	8	
Subtotal	4,754	2,738	2,016
Prepaid costs		(16)	
Total	4,754	2,722	2,016

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- * Issued by Jaguar Land Rover Automotive plc and guaranteed on a senior unsecured basis by Jaguar Land Rover Limited, Jaguar Land Rover Holdings Limited, Land Rover Exports Limited, JLR Nominee Company Limited and Jaguar Land Rover North America LLC.
- ** Issued by Jaguar Land Rover Automotive plc and guaranteed on a senior unsecured basis by Jaguar Land Rover Limited and Jaguar Land Rover Holdings Limited.
- *** \$350 million committed receivables factoring facility issued by Jaguar Land Rover Limited and guaranteed by Jaguar Land Rover Holdings Limited. A bilateral \$200 million uncommitted receivables factoring facility, also issued by Jaguar Land Rover Limited and guaranteed by Jaguar Land Rover Holdings Limited, is also available which remained undrawn as at 31 December 2016.

Acquisitions and disposals

There were no material acquisitions or disposals in the period.

Off-balance sheet financial arrangements

The Company has no off-balance sheet financial arrangements other than to the extent disclosed in the condensed consolidated financial statements.

Post balance sheet items

On 17 January 2017 the Company issued a 650 million bond maturing in 2024 paying an annual coupon of 2.200%. Subsequently, on 24 January 2017 the company issued a £300 million bond maturing in 2021 paying an annual coupon of 2.750%.

Business risks and mitigating factors

As discussed on pages 46-53 of the Annual Report 2015-16 of the Company, Jaguar Land Rover's principal risks and mitigating factors are documented.

Employees

At the end of Q3 FY17, Jaguar Land Rover employed 39,758 people worldwide including agency personnel. This compared to 37,730 at the end of Q3 FY16.

Board of directors

On 19 December 2016 Cyrus Mistry resigned from the Board of Directors of Jaguar Land Rover Automotive plc. An announcement naming his successor will be made in due course.

The following table provides information with respect to the current members of the Board of Directors of Jaguar Land Rover Automotive plc:

Name	Position	Year appointed as Director, Chief Executive Officer
Andrew M. Robb	Director	2009
Dr. Ralf D. Speth		2010

Nasser Mukhtar Munjee	Chief Executive Officer and Director	2012
Chandrasekaran Ramakrishnan	Director	2013

Table of Contents**Condensed Consolidated Income Statement***For the three and nine months ended 31 December 2016 (unaudited)*

(£ millions)	Three months ended		Nine months ended	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	Note	(unaudited)	(unaudited)	(unaudited)
Revenue		6,537	5,781	17,951
Material cost of sales excluding exceptional item		(3,869)	(3,496)	(10,623)
Exceptional item	2	85	30	135
Material and other cost of sales		(3,784)	(3,466)	(10,488)
Employee cost		(648)	(582)	(1,838)
Other expenses		(1,388)	(1,153)	(3,841)
Net impact of commodity derivatives		(6)	(44)	33
Development costs capitalised	3	379	323	1,072
Other income		70	48	190
Depreciation and amortisation		(409)	(357)	(1,207)
Foreign exchange loss		(526)	(63)	(1,027)
Finance income	4	7	9	24
Finance expense (net)	4	(12)	(19)	(48)
Share of profit from equity accounted investments		35	22	113
Profit before tax		255	499	934
Income tax expense excluding tax on exceptional item		(60)	(52)	(181)
Tax on exceptional item		(28)	(7)	54
Income tax expense	9	(88)	(59)	(219)
Profit for the period		167	440	715

Condensed Consolidated Statement of Comprehensive Income and Expense*For the three and nine months ended 31 December 2016 (unaudited)*

(£ millions)	Three months ended		Nine months ended	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Profit for the period	167	440	715	840
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit obligation	14	(86)	(1,279)	349
Income tax related to items that will not be reclassified	(16)	(1)	201	(88)
	(2)	(87)	(1,078)	261

Items that may be reclassified subsequently to profit or loss:

(Loss)/gain on effective cash flow hedges	(621)	(341)	(2,715)	328
Cash flow hedges reclassified to Foreign exchange loss in profit or loss	448	55	827	173
Currency translation differences	4	(3)	34	(17)
Income tax related to items that may be reclassified	29	53	356	(104)
	(140)	(236)	(1,498)	380
Other comprehensive (expense)/income net of tax	(142)	(323)	(2,576)	641
Total comprehensive income/(expense) attributable to shareholders	25	117	(1,861)	1,481

Table of Contents**Condensed Consolidated Balance Sheet**

As at (£ millions)	Note	31 December 2016 (unaudited)	31 March 2016 (audited)
Non-current assets			
Investments		416	339
Other financial assets		334	185
Property, plant and equipment		5,672	5,175
Intangible assets		5,997	5,497
Other non-current assets		132	45
Deferred tax assets		603	354
Total non-current assets		13,154	11,595
Current assets			
Cash and cash equivalents		1,944	3,399
Short-term deposits and investments		1,897	1,252
Trade receivables		961	1,078
Other financial assets	6	223	137
Inventories	7	3,584	2,685
Other current assets	8	443	411
Current tax assets		8	10
Total current assets		9,060	8,972
Total assets		22,214	20,567
Current liabilities			
Accounts payable		5,811	5,758
Short-term borrowings	14	139	116
Other financial liabilities	11	2,086	962
Provisions	12	627	555
Other current liabilities	13	489	427
Current tax liabilities		147	57
Total current liabilities		9,299	7,875
Non-current liabilities			
Long-term borrowings	14	2,575	2,373
Other financial liabilities	11	1,620	817
Provisions	12	914	733
Retirement benefit obligation	18	1,843	567
Other non-current liabilities		314	204
Deferred tax liabilities		46	384
Total non-current liabilities		7,312	5,078

Total liabilities		16,611	12,953
Equity attributable to shareholders			
Ordinary shares		1,501	1,501
Capital redemption reserve		167	167
Reserves	16	3,935	5,946
Equity attributable to shareholders		5,603	7,614
Total liabilities and equity		22,214	20,567

These condensed consolidated interim financial statements were approved by the Board of Directors.

Company registered number: 06477691

Table of Contents**Condensed Consolidated Statement of Changes in Equity**

(£ millions)	Ordinary share capital	Capital redemption reserve	Other reserves	Total equity
Balance at 1 April 2016 (audited)	1,501	167	5,946	7,614
Profit for the period			715	715
Other comprehensive expense for the period			(2,576)	(2,576)
Total comprehensive expense			(1,861)	(1,861)
Dividend paid			(150)	(150)
Balance at 31 December 2016 (unaudited)	1,501	167	3,935	5,603

(£ millions)	Ordinary share capital	Capital redemption reserve	Other reserves	Total equity
Balance at 1 April 2015 (audited)	1,501	167	4,372	6,040
Profit for the period			840	840
Other comprehensive income for the period			641	641
Total comprehensive income			1,481	1,481
Dividend paid			(150)	(150)
Balance at 31 December 2015 (unaudited)	1,501	167	5,703	7,371

Table of Contents**Condensed Consolidated Cash Flow Statement***For the three and nine months ended 31 December 2016 (unaudited)*

(£ millions)	Three months ended		Nine months ended	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	Note	(unaudited)	(unaudited)	(unaudited)
Cash flows from/(used in) operating activities				
Cash generated from operations	21	747	1,210	1,549
Dividends received		68		68
Income tax paid		(9)	(12)	(109)
Net cash generated from operating activities		806	1,198	1,508
Cash flows from/(used in) investing activities				
Investment in other restricted deposits		(3)	(4)	(21)
Redemption of other restricted deposits		32	11	47
Movements in other restricted deposits		29	7	26
Investment in short-term deposits and investments		(1,251)	(1,116)	(3,023)
Redemption of short-term deposits and investments		851	1,001	2,443
Movements in short-term deposits and investments		(400)	(115)	(580)
Purchases of property, plant and equipment		(422)	(412)	(1,032)
Proceeds from sale of property, plant and equipment				1
Cash paid for intangible assets		(408)	(353)	(1,101)
Finance income received		7	9	24
Net cash used in investing activities		(1,194)	(864)	(2,662)
Cash flows from/(used in) financing activities				
Finance expenses and fees paid		(26)	(24)	(95)
Proceeds from issuance of short-term borrowings		127	141	345
Repayment of short-term borrowings		(150)	(122)	(341)
Repayments of long-term borrowings				(57)
Payments of finance lease obligations		(1)	(1)	(3)
Dividends paid				(150)
Net cash generated used in financing activities		(50)	(6)	(301)
Net (decrease)/increase in cash and cash equivalents*		(438)	328	(1,455)
Cash and cash equivalents at beginning of period		2,382	2,104	3,399
Cash and cash equivalents at end of period		1,944	2,432	1,944

*

Included in Net (decrease)/increase in cash and cash equivalents in the three month period is an increase of £15 million (three months ended 31 December 2015: decrease of £7 million) and in the nine month period is an increase of £89 million (nine months ended 31 December 2015: decrease of £49 million) arising from the impact of foreign exchange rate changes on cash and cash equivalents.

Table of Contents**Notes (forming part of the condensed consolidated interim financial statements)****1 Accounting policies****Basis of preparation**

The information for the three and nine month periods ended 31 December 2016 is unaudited and does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The condensed consolidated interim financial statements of Jaguar Land Rover Automotive plc have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting under International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments held at fair value as highlighted in note 15.

The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2016, which were prepared in accordance with IFRS as adopted by the EU.

The condensed consolidated interim financial statements have been prepared on the going concern basis as set out within the directors' statement of responsibilities section of the Group's annual report for the year ended 31 March 2016.

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 March 2016, as described in those financial statements.

2 Exceptional item

The exceptional item of £85 million for the quarter ended 31 December 2016 relates to the continuing impact of the explosion at the port of Tianjin (China) in August 2015. The exceptional credit to the income statement for the quarter relates to the recovery of import duties and taxes and to an updated assessment of the condition of the remaining vehicles, which led to a reversal of the initial provision recorded in the quarter ended 30 September 2015.

The process for finalising ongoing insurance claims and other recoveries may take some months to conclude, so further insurance and other potential recoveries will only be recognised in future periods when received or virtually certain to be received. Due to the size of the provision recorded, the charge together with the associated tax impact was disclosed as an exceptional item in the year ended 31 March 2016, as such any future recoveries will similarly be recognised as a reversal of that charge through exceptional items.

3 Research and development

(£ millions)	Three months ended	Nine months ended
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	31 December 2016	31 December 2016	31 December 2016	31 December 2015
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Total research and development costs incurred	475	400	1,341	1,160
Research and development expensed	(96)	(77)	(269)	(216)
Development costs capitalised	379	323	1,072	944
Interest capitalised	25	19	67	55
Research and development expenditure credit	(24)	(23)	(64)	(59)
Total internally developed intangible additions	380	319	1,075	940

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Notes (forming part of the condensed consolidated interim financial statements)

**4 Finance income and expense
Recognised in net income**

(£ millions)	Three months ended		Nine months ended	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Finance income	7	9	24	27
Total finance income	7	9	24	27
Total interest expense on financial liabilities measured at amortised cost	(34)	(33)	(107)	(107)
Unwind of discount on provisions	(4)	(5)	(12)	(15)
Interest capitalised	26	19	71	56
Total finance expense (net)	(12)	(19)	(48)	(66)

The capitalisation rate used to calculate borrowing costs eligible for capitalisation during the nine month period was 4.4% (nine months ended 31 December 2015: 4.6%).

5 Allowances for trade and other receivables

Changes in the allowances for trade and other receivables are as follows:

(£ millions)	Nine months ended	
	31 December 2016	31 March 2016
	(unaudited)	(audited)
At beginning of period/year	60	11
Charged during the period/year		49
Utilised during the period/year		
Unused amounts reversed	(13)	
Foreign currency translation	13	
At end of period/year	60	60

6 Other financial assets current

As at (£ millions)	31 December 2015	March 2016
	(unaudited)	(audited)
Advances and other receivables recoverable in cash	4	8
Derivative financial instruments	165	73
Accrued income	28	12
Other	26	44
Total current other financial assets	223	137

7 Inventories

As at (£ millions)	31 December 2015	March 2016
	(unaudited)	(audited)
Raw materials and consumables	87	92
Work-in-progress	383	379
Finished goods	3,114	2,214
Total inventories	3,584	2,685

8 Other current assets

As at (£ millions)	31 December 2015	March 2016
	(unaudited)	(audited)
Recoverable VAT	173	218