Novelis MEA Ltd.

Directors' report

The Directors' submit their report together with the audited financial statements of Novelis MEA Ltd. ("the Company") for the year ended 31 March 2015.

Incorporation and registered office

Novelis MEA Ltd. ("the Company") was incorporated on 16 October 2012 as a limited liability company under the Companies Law - DIFC Law No. 2 of 2009 of the Dubai International Financial Centre ("DIFC"), bearing registration number 1278. The registered address of the Company is Office No. 902, Level 9, Al Fattan Currency House Tower 2, Dubai International Financial Centre, PO Box 506780, Dubai, United Arab Emirates.

The Company is a wholly owned subsidiary of Novelis Inc. ("immediate parent company"), a company registered under tax number 980 393 167 with head office at 191 Evans Avenue, Toronto, Ontario M8Z 1J5, Canada. The ultimate parent company is Hindalco Industries Limited.

Principal activities

The principal activity of the Company is to import and export aluminium.

Results and appropriations

The results of the Company for the year ended 31 March 2015 and 2014 are set out on page 5 of the financial statements.

Auditors

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for reappointment.

On behalf of the Board

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Director

24 May 2015

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Independent auditor's report to the shareholder of Novelis MEA Ltd.

Report on the financial statements

We have audited the accompanying financial statements of Novelis MEA Ltd. ("the Company") which comprise the balance sheet as at 31 March 2015 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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PricewaterhouseCoopers is registered as practicing accountants with the Dubai Financial Services Authority.

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Independent auditor's report to the shareholder of Novelis MEA Ltd. (continued)

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2015 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on other legal and regulatory requirements

Further, we report that the Company's financial statements have been properly prepared in accordance with the applicable provisions of the Companies Law – DIFC Law No. 2 of 2009, as amended.

PricewaterhouseCoopers
24 May 2015

Paul Suddaby
Registered Auditor Number 309
Dubai, United Arab Emirates

Novelis MEA Ltd.

Balance sheet

	Note	As at 31 March 2015 USD	2014 USD
ASSETS			
Non-current assets			
Property and equipment	5	**218,008**	435,885
Current assets			
Trade and other receivables	6	**124,185,130**	47,882,355
Advances to suppliers	7	**35,839**	-
Due from related parties	13	**1,699,890**	2,090,241
Cash and cash equivalents	8	**42,907,448**	5,786,580
		168,828,307	55,759,176
Total assets		**169,046,315**	56,195,061
EQUITY AND LIABILITIES			
Equity			
Share capital	9	**50,000**	50,000
Contributed capital	9	**862,286**	862,286
Retained earnings		**7,292,148**	1,135,083
Total equity		**8,204,434**	2,047,369
Non-current liabilities			
Provision for employees' end of service benefits	14	**51,737**	28,340
Current liabilities			
Trade and other payables	10	**5,436,961**	1,936,128
Advances from customers	11	**3,710**	-
Due to related parties	13	**155,262,933**	52,183,224
Derivative financial instruments	12	**86,540**	-
		160,790,144	54,119,352
Total liabilities		**160,841,881**	54,147,692
Total equity and liabilities		**169,046,315**	56,195,061

These financial statements were approved by the Board of Directors on 24 May 2015 and signed on its behalf by:

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Director

The notes set out on pages 8 to 22 form an integral part of these financial statements

Novelis MEA Ltd.

Statement of comprehensive income

		Year ended 31 March	
		2015	2014
	Note	**USD**	USD
Revenue	15	**386,655,721**	148,023,878
Cost of sales	16	**(370,106,142)**	(141,904,451)
Gross profit		**16,549,579**	6,119,427
Administrative expenses	17	**(10,518,162)**	(4,646,804)
Other losses - net	12	**(86,540)**	-
Other operating income		**212,188**	135,978
Operating income		**6,157,065**	1,608,601
Finance costs		**-**	-
Profit for the year		**6,157,065**	1,608,601
Other comprehensive income		**-**	-
Total comprehensive income for the year		**6,157,065**	1,608,601

The notes set out on pages 8 to 22 form an integral part of these financial statements

Novelis MEA Ltd.

Statement of changes in equity

		Share capital	Contributed capital	Retained earnings/ (accumulated losses)	Total
		USD	USD	USD	USD
As at 1 April 2013	9	50,000	862,286	(473,518)	438,768
Comprehensive income					
Profit for the year		-	-	1,608,601	1,608,601
As at 31 March 2014		**50,000**	**862,286**	**1,135,083**	**2,047,369**
As at 1 April 2014		50,000	862,286	1,135,083	2,047,369
Comprehensive income					
Profit for the year		-	-	6,157,065	6,157,065
As at 31 March 2015		**50,000**	**862,286**	**7,292,148**	**8,204,434**

Novelis MEA Ltd.

Statement of cash flows

	Note	Year ended 31 March	
		2015	2,014
		USD	USD
Operating activities			
Profit for the year		6,157,065	1,608,601
Adjustments for:			
Depreciation	5	218,271	217,910
Provision for employees' end-of-service benefits	14	23,397	20,213
Fair value losses on derivative financial instruments	12	86,540	-
Operating cash flow before changes in working capital		**6,485,273**	**1,846,724**
Changes in working capital:			
Trade and other receivables		(76,302,775)	(47,787,855)
Advances to supliers		(35,839)	-
Trade and other payables		3,500,833	1,905,330
Advances from customers		3,710	-
Due from related parties		390,351	(2,090,241)
Due to related parties excluding transfer of property and equipment		103,079,315	51,358,737
Net cash generated from operating activities		**37,120,868**	**5,232,695**
Net increase in cash and cash equivalents		**37,120,868**	**5,232,695**
Cash and cash equivalents at beginning of the year		5,786,580	553,885
Cash and cash equivalents at end of the year	8	42,907,448	5,786,580

The notes set out on pages 8 to 22 form an integral part of these financial statements

Notes to the financial statements for the year ended 31 March 2015

1 Legal status and activities

Novelis MEA Ltd. ("the Company") was incorporated on 16 October 2012 as a limited liability company under the Companies Law - DIFC Law No. 2 of 2009 of the Dubai International Financial Centre ("DIFC"), bearing registration number 1278. The registered address of the Company is Office No. 902, Level 9, Al Fattan Currency House Tower 2, Dubai International Financial Centre, PO Box 506780, Dubai, United Arab Emirates.

The principal activity of the Company is to import and export aluminium. The Company commenced its trading operations from 1 April 2013.

The Company is a wholly owned subsidiary of Novelis Inc. ("immediate parent company"), a company registered under tax number 980 393 167 with head office at 191 Evans Avenue, Toronto, Ontario M8Z 1J5, Canada. The ultimate parent company is Hindalco Industries Limited, a company incorporated in Worli Mumbai 400 030, India.

2 Summary of significant accounting policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) interpretations applicable to companies reporting under IFRS. The financial statements have been prepared on a going concern basis under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. There are no areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to financial statements.

Changes in accounting policy and disclosures

(a) New and amended standards, amendments and interpretations adopted by the Company

The following standards have been adopted by the Company for the first time for the financial year beginning on 1 April 2014:

- IAS 32 (amendment), 'Financial instruments: Presentation' (effective from 1 January 2014);
- IAS 36 (amendments), 'Impairment of assets' (effective from 1 January 2014); and;
- IAS 39 (amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2014).

The adoption of the new standards, amendments or interpretations did not have a significant impact on the financial statements.

There are no other IFRS or IFRS IC interpretations that are effective for the first time for the financial year beginning on 1 April 2014 that would be expected to have a material impact on the Company.

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(b) New standards, amendments and interpretations not yet adopted by the Company

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 April 2014, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

- IFRS 9 'Financial instruments' (effective 1 January 2018); and
- IFRS 15 'Revenue from contracts with customers' (effective from 1 January 2017).

There are no other IFRS or IFRS IC interpretations that not yet are effective that would be expected to have a material impact on the Company.

2.2 Foreign currency

The financial statements are presented in US Dollars ("USD") which is the Company's functional and presentation currency. Functional currency is the currency of the primary economic environment in which the Company operates.

Transactions in a foreign currency are initially recorded in the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated using the rate of exchange as at the dates of the initial transactions.

2.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

	Years
Leasehold improvements	3
Office equipment	3
Other assets	3

2 Summary of significant accounting policies (continued)

2.3 Property and equipment (continued)

The depreciation methods and useful lives of items of property and equipment are reviewed at the reporting date and altered if circumstances change significantly. Any change is accounted for as a change in the accounting estimate by changing the depreciation charge for the current and future periods.

2.4 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Non-financial assets that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.5 Financial assets

2.5.1 Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss or loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

2 Summary of significant accounting policies (continued)

2.5 Financial assets (continued)

2.5.2 Recognition and measurement

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income.

Loans and receivables are initially measured at fair value and subsequently carried at amortised cost less provision for impairment. The amortised cost is computed using the effective interest method.

Financial assets are derecognised when the right to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.7 Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measureable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2.8 Trade and other receivables

Trade and other receivables are amounts due from customers for products sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2 Summary of significant accounting policies (continued)

2.9 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.10 Share capital

Ordinary shares are classified as equity.

2.11 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 End of service benefits

Provision is made, using actuarial techniques, for the end of service benefits due to employees in accordance with the UAE Labour Law for their periods of service up to the balance sheet date. The provision relating to employees' end of service benefits is disclosed as a non-current liability.

2.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that the Company will be required to settle the obligation and the amount can be reliably estimated. Provisions are recorded at management's best estimate of the expenditure required to settle the obligation at the balance sheet date. Provisions are not recognised for future operating losses.

2.14 Revenue recognition

Revenue is the fair value of the amount received or receivable for selling goods and/or services in the normal course of the Company's activity. Revenue is recorded net of any taxes, trade discounts and financial discounts.

The revenue from the sale of goods is recognised when: i) the amount of revenue can be reliably measured; ii) it is probable that future economic benefits will flow to the Company; and iii) a significant proportion of the risks and benefits have been transferred to the buyer.

2.15 Leases

Leases in which a significant proportion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

3 Financial risk management

3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company under policies approved by management.

Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risks management policies and systems are reviewed regularly to reflect changes in market conditions and products offered. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

Foreign exchange risk

The Company is not significantly exposed to currency risk as a majority of its transactions are primarily denominated in USD.

Fair value interest rate risk and cash flow interest rate risk

The Company is not exposed to interest rate risk.

Price risk

The price of aluminum commodities is subject to fluctuations due to changes in global market prices. To mitigate such risks, the Company enters into derivative instruments to minimise such risks.

Credit risk

Credit risk measurement

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk in mainly attributable to trade and other receivables, balances due from related parties and cash at bank. The Company has no significant concentrations of credit risk. The Company assesses the credit quality of customers by considering their financial position, past experience and other factors. The Company has established credit limits for customers and monitors their balances. In addition, the Company has no significant risk arising on balances with financial institutions since cash is placed with reputable financial institutions.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding from related parties. This includes capital contributions from the shareholder or extended payment terms on amounts due to related parties.

The following are the contractual maturities of financial liabilities (including future interest payables, if any):

	Carrying amount	Contractual cash flows	Less than 1 year
	USD	USD	USD
31 March 2015			
Trade and other payables	5,436,961	5,436,961	5,436,961
Due to related parties	155,262,933	155,262,933	155,262,933
Derivative financial instruments	86,540	86,540	86,540
	160,786,434	160,786,434	160,786,434
31 March 2014			
Trade and other payables	1,936,128	1,936,128	1,936,128
Due to related parties	52,183,224	52,183,224	52,183,224
	54,119,352	54,119,352	54,119,352

3.2 Financial risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

At 31 March 2015 and 2014, the Company did not have any external borrowings and was therefore un-geared. The Company obtains funding from its related parties to manage its liquidity.

3.3 Fair value estimation

Fair value disclosures in respect of financial instruments are made in accordance with the requirements of International Financial Reporting Standards 7 "Financial Instruments: Disclosure" and 13 "Fair value measurement". Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in forced or liquidation sale. Fair value is determined by valuation methods. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and

3 Financial risk management (continued)

3.3 Fair value estimation (continued)

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement.

The fair value of financial assets and financial liabilities approximates their carrying value except derivative financial instruments as disclosed in note 12.

4 Financial instruments by category

	2015 USD	2014 USD
Assets as per balance sheet		
Loans and receivables		
Cash and cash equivalents	**42,907,448**	5,786,580
Trade and other receivables (excluding prepayments and VAT receivables)	**124,185,130**	47,218,984
Due from related parties	**1,699,890**	2,090,241
	168,792,468	55,095,805

Liabilities as per balance sheet	2015 USD	2014 USD
Liabilities - at amortised cost		
Trade and other payables	**5,436,961**	1,936,128
Due to related parties	**155,262,933**	52,183,224
Liabilities - at fair value through profit or loss		
Derivative financial instruments	**86,540**	-
	160,786,434	54,119,352

The credit quality of financial assets that are not impaired can be assessed by reference to external credit ratings as follows:

	2015 USD	2014 USD
Cash at bank		
Externally rated financial assets		
BAA, A2, A - (Moody's)	**42,901,366**	5,786,555
Without external rating		
Trade and other receivables (excluding prepayments and VAT receivables)	**124,185,130**	47,218,984
Cash on hand	**6,082**	25
Due from related parties	**1,699,890**	2,090,241
	125,891,102	49,309,250

5 Property and equipment

	Leasehold improvements USD	Office equipment USD	Other assets USD	Total USD
Cost				
Balance at 1 April 2013 and 31 March 2014	468,526	183,721	1,942	654,189
Additions during the year	-	394	-	394
Balance at 31 March 2015	468,526	184,115	1,942	654,583
Depreciation				
At 1 April 2013	-	-	-	-
Charge for the year	156,160	61,103	647	217,910
At 31 March 2014	156,160	61,103	647	217,910
Charge for the year	156,159	61,464	648	218,271
At 31 March 2015	312,319	122,567	1,295	436,181
Net book amount at 31 March 2015	**156,207**	**61,154**	**647**	**218,008**
at 31 March 2014	312,366	122,224	1,295	435,885

Office equipment are used items and were acquired from an affiliated company as at 31 March 2013. During the year, used office equipment amounting to USD 394 was transferred from a related party.

6 Trade and other receivables

	2015 USD	2014 USD
Trade receivables	**124,013,337**	47,162,200
VAT receivables	-	604,297
Prepayments	-	59,074
Deposits	**46,620**	46,620
Other receivables	**125,173**	10,164
	124,185,130	47,882,355

6 Trade and other receivables (continued)

Trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable mentioned above which approximates their fair value at the reporting date. The Company does not hold any collateral as security. Trade and others receivables are all denominated in USD.

Trade receivables are normally due within 60 days from the date an invoice is raised. Trade receivables are considered past due based on their respective credit period. The ageing analysis of trade receivables is as follows:

	2015 USD	2014 USD
Less than 60 days (Not past due, fully performing)	**119,967,571**	37,498,233
More than 60 days (Past due but not impaired)	**4,045,766**	9,663,967
	124,013,337	47,162,200

As at 31 March 2015, trade receivables of USD 4,045,766 (2014: USD 9,663,967) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	2015 USD	2014 USD
Up to 6 moths	**4,042,343**	9,663,967
6 to 12 month	**3,423**	-
	4,045,766	9,663,967

At 31 March 2015, the Company had a concentration of credit risk with five (2014: four) of the largest customers accounting for 73% (31 March 2014: 76%) of the gross trade receivables. Management is confident that this concentration of credit risk will not result in a loss to the Company as the customers have an established track record of meeting their financial obligations to the Company.

7 Advances to suppliers

	2015 USD	2014 USD
Advances to suppliers	**35,839**	-
	35,839	-

8 Cash and cash equivalents

	2015 USD	2014 USD
Cash on hand	6,082	25
Cash at bank	42,901,366	5,786,555
	42,907,448	5,786,580

Balances are held with a local branch of an international bank and with other international banks.

The maximum exposure to credit risk at the reporting date is the carrying value of cash and cash equivalents mentioned above.

The carrying value of cash and cash equivalents approximates their fair value.

9 Share capital

	2015 USD	2014 USD
Authorised, issued and fully paid-up capital		
50 shares (2014: 50 shares) of USD 1,000 each	50,000	50,000
Contributed capital	862,286	862,286
	912,286	912,286

During the period from 16 October 2012 to 31 March 2013, the immediate parent company (shareholder) contributed additional capital as follows: the first on 4 February 2013 with an amount of USD 163,336, the second on 13 March 2013 with an amount of USD 298,950 and the last on 15 March 2013 with an amount USD 400,000. These amounts have been accounted for as contributed capital.

10 Trade and other payables

	2015 USD	2014 USD
Trade payables	3,437,517	1,833,179
Other payables	97,079	26,800
Accruals	1,902,365	76,149
	5,436,961	1,936,128

The carrying value of trade and other payables approximates their fair value.

11 Advances from customers

	2015 USD	2014 USD
Advances from customers	3,710	-
	3,710	-

12 Derivative financial instruments

In January 2015, the Company entered into financial instruments with Novelis AG (related party) to fix the purchase price of aluminium, in order to reduce the risk of adverse price movements, which do not meet the requirements set out in IAS 39 and IFRS 9 to be accounted as hedging derivatives. These instruments have therefore been recorded as derivatives, whose fair value gains and losses are recognised in the statement of comprehensive income. Swaps falls under level 2 of fair value hierarchy.

The notional amount of the derivatives at 31 March 2015 was USD 1,803,000 (2014: Nil).

The derivative financial instruments held by the Company are:

	2015 USD	2014 USD
Swaps	86,540	-
	86,540	-

13 Related party transactions and balances (continued)

Related parties include companies under common control, common management and key management personnel. During the period, the Company entered into the following significant transactions at agreed terms and conditions with related parties at prices and on terms agreed between the related parties:

	2015 USD	2014 USD
Product sales	**12,415,047**	2,053,287
Product purchases	**359,009,591**	140,234,530
Other operating income	**156,863**	94,140
Professional and support fee	**6,312,917**	3,060,733

Related party balances

	2015 USD	2014 USD
Due from related parties		
Immediate parent company	**193,687**	36,823
Companies under the common control of the ultimate parent company		
Novelis Korea	**1,505,446**	1,868,984
Novelis Deutschland GmbH	**757**	184,304
Novelis Brasil Ltda (Pindamonhangaba)	**-**	130
	1,699,890	2,090,241
Due to related parties		
Immediate parent company	**1,289,855**	1,489,451
Companies under the common control of the ultimate parent company		
Novelis Deutschland GmbH	**34,053,198**	19,530,214
Novelis Korea	**91,585,290**	12,130,863
Novelis Brasil Ltda (Pindamonhangaba)	**27,863,270**	10,473,285
Novelis Vietnam	**-**	8,268,772
Novelis Corporation	**471,320**	290,639
	155,262,933	52,183,224

Due to and due from related parties are unsecured, non-interest bearing and repayable on demand.

Due from related parties do not contain any impaired assets.

13 Related party transactions and balances (continued)

Compensation to key management personnel including directors are as follows:

	For the year ended 31 March 2015 USD	For the year ended 31 March 2014 USD
Salaries	**166,988**	154,062
Provision for employees' end of service benefits	**8,766**	9,404
Allowances and other benefits	**5,438**	-
	181,192	163,466

14 Provision for employees' end of service benefits

	2015 USD	2014 USD
At 1 April	**28,340**	8,127
Charge for the year	**23,397**	20,213
At 31 March	**51,737**	28,340

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its obligations at 31 March 2015, using the projected unit credit method, in respect of employees' end of service benefits payable under the UAE Labour Law. Under this method, an assessment has been made of an employee's expected service life with the Company and the expected basic salary at the date of leaving the service. Management has assumed average increment/promotion costs of Nil (2014: Nil). The expected liability at the date of leaving the service has been discounted to its net present value using a discount rate of 4.27% (2014: 4.48%). The present values of the obligations at 31 March 2015 and 2014 are not materially different from the provision computed in accordance with the UAE Labour Law.

15 Revenue

	For the year ended 31 March 2015 USD	For the year ended 31 March 2014 USD
Product sales	**386,655,721**	148,023,878
	386,655,721	148,023,878

16 Cost of sales

	For the year ended 31 March 2015 USD	For the year ended 31 March 2014 USD
Cost of materials	370,106,142	141,904,451
	370,106,142	141,904,451

17 Administrative expenses

	For the year ended 31 March 2015 USD	For the year ended 31 March 2014 USD
Professional and support fee	8,463,855	3,353,059
Staff costs	654,717	243,237
Depreciation (Note 5)	218,271	217,910
Rent and leases	196,910	181,134
Travel and accomodation	217,445	157,600
Others	766,964	493,864
	10,518,162	4,646,804