## INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF NOVELIS (INDIA) INFOTECH LIMITED

### Report on the Financial Statements

1. We have audited the accompanying financial statements of Novelis (India) Infotech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

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

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

(f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31, 2015 on its financial position in its financial statements – Refer Note 14.

ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2015.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Sumit Seth
Partner
Membership Number: 105869

Mumbai
Date: June 29, 2015

**Annexure to Independent Auditors' Report**

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Novelis (India) Infotech Limited on the financial statements as of and for the year ended March 31, 2015

i. The Company does not hold any fixed assets during the year ended March 31, 2015. Therefore, the provisions of Clause 3(i) of the said Order are not applicable to the Company.

ii. The Company was in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanation given to us, there are no purchases of fixed assets and sale of services in the current year as the Company has discontinued its operations from June 30, 2013. Further, the Company's operations did not involve dealing with inventory. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of tax deducted at source, though there has been a slight delay in a few cases, and is regular in depositing other undisputed material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:

| Name of the statute | Nature of dues | Amount (Rs.) | Period to which the amount relates | Forum where the dispute is pending |
|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | 132,934 | A.Y. 2010-11 | Dy. Commissioner of Income Tax |
| Income Tax Act, 1961 | Income Tax | 48,093 | A.Y. 2011-12 | Income tax officer |
| Income Tax Act, 1961 | Tax Deducted at Source | 380,230 | A.Y. 2011-12 | Income tax officer |

(c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.

viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

ix. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

**Annexure to Independent Auditors' Report**
Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Novelis (India) Infotech Limited on the financial statements as of and for the year ended March 31, 2015



x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company.

xi. The Company has not raised any term loans. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Sumit Seth
Partner
Membership Number: 105869

Mumbai
Date: June 29, 2015

**NOVELIS (INDIA) INFOTECH LIMITED**
**BALANCE SHEET AS AT MARCH 31, 2015**

| | Note | As at March 31, 2015 Rs. | As at March 31, 2014 Rs. |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' Funds** | | | |
| Share Capital | 4 | 10,000,000 | 10,000,000 |
| Reserves and Surplus | 5 | 12,177,731 | 11,236,415 |
| | | **22,177,731** | **21,236,415** |
| **Current Liabilities** | | | |
| Trade Payables | 6 | 1,854,130 | 909,023 |
| Other Current Liabilities | 7 | 570,005 | 130,747 |
| Short-Term Provisions | 8 | 239,823 | 239,823 |
| | | **2,663,958** | **1,279,593** |
| | | **24,841,689** | **22,516,008** |
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| Fixed Assets | | | |
| Tangible Assets | 9 | - | - |
| Intangible Assets | 10 | - | - |
| | | - | - |
| **Current Assets** | | | |
| Cash and Bank Balances | 11 | 19,425,776 | 11,389,410 |
| Short-Term Loans and Advances | 12 | 1,440,623 | 4,124,282 |
| Other Current Assets | 13 | 3,975,290 | 7,002,316 |
| | | **24,841,689** | **22,516,008** |
| | | **24,841,689** | **22,516,008** |

**The accompanying Notes are integral part of these Financial Statements.**

This is the Balance Sheet referred to in our report of even date.

For **Price Waterhouse**
Firm Registration No: 301112E
Chartered Accountants

**Sumit Seth**
Partner
Membership No. 105869

Place: Mumbai
Date: June 29, 2015

For and on behalf of the Board of Directors

Anil Malik
Director
DIN No. 00170411

Place: Mumbai
Date: June 29, 2015

Debashish Ray
Director
DIN No. 02532601

Place: Mumbai
Date: June 29, 2015

Debashis Ghosh
Company Secretary

Place: Mumbai
Date: June 29, 2015

**NOVELIS (INDIA) INFOTECH LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015**

| | Note | For the year ended March 31, 2015 Rs. | For the year ended March 31, 2014 Rs. |
|---|---|---|---|
| **REVENUE** | | | |
| Revenue From Operations | 15 | - | 35,169,030 |
| Other Income | 16 | 1,182,746 | 25,935,819 |
| **Total Revenue** | | **1,182,746** | **61,104,849** |
| **EXPENSES** | | | |
| Employee Benefits Expense | 17 | - | 120,283 |
| Depreciation and Amortisation Expense | 18 | - | 3,831,148 |
| Other Expenses (Net) | 19 | 6,430 | 25,356,089 |
| **Total Expenses** | | **6,430** | **29,307,520** |
| **Profit Before Tax** | | **1,176,316** | **31,797,329** |
| **Tax Expense:** | | | |
| Current Tax | | 398,000 | 6,050,000 |
| Less: Minimum Alternate Tax Credit Entitlement | | (163,000) | - |
| **Profit for the Year** | | **941,316** | **25,747,329** |
| **Earnings per Equity Share [Nominal value per share: Rs.10 (March 31, 2014: Rs. 10] (Refer Note 28)** | | | |
| - Basic and Diluted | | 0.94 | 1.52 |

**The accompanying Notes are integral part of these Financial Statements.**

This is the Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse**
Firm Registration No: 301112E
Chartered Accountants

**Sumit Seth**
Partner
Membership No. 105869

Place: Mumbai
Date: June 29, 2015

For and on behalf of the Board of Directors

Anil Malik
Director
DIN No. 00170411

Place: Mumbai
Date: June 29, 2015

Debashish Ray
Director
DIN No. 02532601

Place: Mumbai
Date: June 29, 2015

Debashis Ghosh
Company Secretary

Place: Mumbai
Date: June 29, 2015

NOVELIS (INDIA) INFOTECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

| | Rs. | Year ended March 31, 2015 Rs. | Year ended March 31, 2014 Rs. |
|---|---|---|---|
| **A - CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| Profit Before Taxation | | 1,176,316 | 31,797,329 |
| Adjustments for: | | | |
| Interest on Fixed Deposits | (1,182,746) | | (105,441) |
| Deposit written off | 25,000 | | - |
| Depreciation and Amortisation Expense | - | | 3,831,148 |
| | | (1,157,746) | 3,725,707 |
| Operating Profit Before Working Capital Changes | | 18,570 | 35,523,036 |
| **Adjustments for changes in working capital** | | | |
| Trade Receivables, Short- Term Loans and Advances and Other current assets | 4,228,906 | | 243,627,385 |
| Trade Payables, Current Liabilities and Provisions | 1,384,365 | | (29,377,848) |
| | | 5,613,271 | 214,249,537 |
| **Cash Flow From Operations** | | 5,631,841 | 249,772,573 |
| Income Tax paid | | (1,385,220) | (8,348,162) |
| **Net Cash Flow From Operating Activities** | | **4,246,621** | **241,424,411** |
| **B - CASH FLOW USED IN INVESTING ACTIVITIES** | | | |
| Deposits with maturity more than 3 Months but less than 12 months (Net) | | (5,648,256) | (8,500,000) |
| Receipt from sale of fixed assets | | 2,800,000 | - |
| Interest on Fixed Deposits | | 989,745 | 17,656 |
| **Net Cash Used in Investing Activities** | | **(1,858,511)** | **(8,482,344)** |
| **C - CASH FLOW USED IN FINANCING ACTIVITIES** | | | |
| Repayment of Share Capital | | - | (197,255,500) |
| Repayment of Accumulated Profits | | - | (58,244,500) |
| Dividend Distribution Tax on Accumulated Profits | | - | (13,973,830) |
| **Net Cash Used in Financing Activities** | | **-** | **(269,473,830)** |
| **Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)** | | **2,388,110** | **(36,531,763)** |
| Cash and Cash Equivalents at the beginning of the year | | 2,889,410 | 39,421,173 |
| Cash and Cash Equivalents at the end of the year | | 5,277,520 | 2,889,410 |
| **Net Increase/ (Decrease) in Cash and Cash Equivalents** | | **2,388,110** | **(36,531,763)** |
| **Cash and Cash Equivalents comprise of:** | | | |
| Balances with a Bank: | | | |
| - In Current Account | | 2,617,624 | 389,410 |
| - In Term Deposits with Initial Maturity of 3 Months or less | | 2,659,896 | 2,500,000 |
| **Total** | | **5,277,520** | **2,889,410** |

**Note:**
The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 "Cash Flow Statement" as specified in the Companies (Accounting Standard) Rules 2006.

This is the Cash Flow Statement referred to in our report of even date.

For **Price Waterhouse**
Firm Registration No: 301112E
Chartered Accountants

**Sumit Seth**
Partner
Membership No. 105869

Place: Mumbai
Date: June 29, 2015

For and on behalf of the Board of Directors

Anil Malik
Director
DIN No. 00170411

Place: Mumbai
Date: June 29, 2015

Debashis Ray
Director
DIN No. 02532601

Place: Mumbai
Date: June 29, 2015

Debashis Ghosh
Company Secretary

Place: Mumbai
Date: June 29, 2015

**NOVELIS (INDIA) INFOTECH LIMITED**
**NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015 AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015**

## 1. Significant Accounting Policies:

### (i) Accounting Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the assumption that the Company will not continue as a going concern. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, till the Standards of accounting or any addendum are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [(Companies (Accounting Standards) Rules, 2006), as amended], issued by the Institute of Chartered Accountants of India and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

### (ii) Fixed Assets

(a) Tangible Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

(b) Intangible Assets are stated at acquisition cost less accumulated amortization and impairment loss, if any.

### (iii) Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of short-term monetary assets and liabilities are recognized in the Statement of Profit and Loss.

### (iv) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities at the date of the Balance Sheet. Difference between the actual results and estimates are recognised in the period in which the results are known / materialise.

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Chartered Accountants
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Mumbai

**(v) Accounting for Taxes**

Income tax expense comprises current tax and deferred tax charge or credit.

(a) **Current Taxation**

Current tax is determined as the amount of tax payable in respect of taxable income for the year as per the " Income Tax Act, 1961 of India".

(b) **Deferred Taxation**

- Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the enacted/ substantively enacted rate of tax to the extent that the timing differences are expected to crystallise.

- Deferred tax assets arising in situations where there are brought forward losses and unabsorbed depreciation, are recognised only when there is a virtual certainty supported by convincing evidence that such assets will be realised.

**(vi) Revenue Recognition**

All the expenses incurred post discontinuance of business operations i.e. from July 1, 2013 are recovered from the Parent Company on accural basis at cost, as no services are being provided by the Company.

**(vii) Other Income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(viii) Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short- term highly liquid investments with original maturities of three month or less.

**(ix) Provisions and Contingent Liabilities**

Provisions: Provisions are recognised when there is a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from the past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of amount cannot be made.

**2.** The Company provided Information Technology (IT) services to its parent and a fellow subsidiary. It has discontinued its business operations on June 30, 2013. Accordingly, these financial statements have been prepared under the assumption that the Company will not continue as a going concern. All current assets have been stated at the value at which they are realisable and all current liabilities have been stated at the value at which they are payable. Further, during the previous year ended March 31, 2014, the Company sold its entire block of fixed assets on an "as is" basis for a net consideration of Rs. 2,800,000.

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

**3.** During the previous year ended March 31, 2014, the Company at its Extraordinary General Meeting held on October 22, 2013 passed a special resolution to effect reduction in its issued, subscribed and paid up equity share capital from Rs. 207,255,500 divided into 20,725,550 equity shares of Rs. 10 each, fully paid up, to Rs. 10,000,000 divided into 1,000,000 equity shares of Rs. 10 each, fully paid up, by repayment of 19,725,550 equity shares of Rs. 10 each held by the equity shareholders of the Company.

The Company received an order dated December 20, 2013 from the High Court of Judicature at Bombay approving the capital reduction by repayment of Rs. 255,500,000 representing Rs. 197,255,500 towards the equity share capital and balance towards the accumulated profits subject to the payment of applicable taxes. Accordingly, the Company repaid share capital aggregating Rs. 197,255,500 and accumulated profits aggregating Rs. 58,244,500 to its parent company, Novelis Inc. Further, dividend distribution tax of Rs. 13,973,830 on the accumulated profits on the date of remittance was paid to the Income Tax authorities.

Price Waterhouse
Chartered Accountants
FRN 301112E
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NOVELIS (INDIA) INFOTECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015
AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

| | As at March 31, 2015 Rs. | As at March 31, 2014 Rs. |
|---|---|---|
| **4 Share Capital** | | |
| **Authorised:** | | |
| 25,000,000 (March 31, 2014: 25,000,000) Equity Shares of Rs.10 each | 250,000,000 | 250,000,000 |
| | **250,000,000** | **250,000,000** |
| **Issued, Subscribed and Paid-up:** | | |
| 1,000,000 (March 31, 2014: 1,000,000) Equity Shares of Rs. 10 each, fully paid up | 10,000,000 | 10,000,000 |
| (Of the above, 999,940 (March 31, 2014: 999,940) Equity Shares of Rs.10 each, fully paid up, are held by the holding company, Novelis Inc., Canada.) | | |
| | **10,000,000** | **10,000,000** |

**a. Reconciliation of the Equity Shares Outstanding at the beginning and the end of the reporting period:**

| | As at March 31, 2015 | | As at March 31, 2014 | |
|---|---|---|---|---|
| | Number of shares | Rs. | Number of shares | Rs. |
| Balance as at the beginning of the year | 1,000,000 | 10,000,000 | 20,725,550 | 207,255,500 |
| Less: Repayment of Share Capital during the year (Refer Note 3) | - | - | 19,725,550 | 197,255,500 |
| Balance as at the end of the year | **1,000,000** | **10,000,000** | **1,000,000** | **10,000,000** |

**b. Terms / Rights attached to Equity Shares:**
The Company has one class of Equity Shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

**c. Details of shares held by shareholders holding more than 5% of Equity Shares in the Company:**

| Name of shareholder | As at March 31, 2015 | | As at March 31, 2014 | |
|---|---|---|---|---|
| | Number of Shares held | Percentage of Holding | Number of Shares held | Percentage of Holding |
| Novelis Inc., Canada, the Holding Company | 999,940 | 99.99 | 999,940 | 99.99 |

| | As at March 31, 2015 Rs. | As at March 31, 2014 Rs. |
|---|---|---|
| **5 Reserves and Surplus:** | | |
| **Surplus in the Statement of Profit and Loss:** | | |
| Balance at the beginning of the year | 11,236,415 | 57,707,416 |
| Add: Profit for the year | 941,316 | 25,747,329 |
| Less: Repayment of Accumulated Profits (Refer Note 3) | - | 58,244,500 |
| Less: Dividend Distribution Tax on Accumulated Profits (Refer Note 3) | - | 13,973,830 |
| Balance at the end of the year | **12,177,731** | **11,236,415** |

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

NOVELIS (INDIA) INFOTECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015
AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

| | | As at March 31, 2015 Rs. | As at March 31, 2014 Rs. |
|---|---|---|---|
| 6 | **Trade Payables** | | |
| | Trade Payables (Refer Note 26) | 1,854,130 | 909,023 |
| | | **1,854,130** | **909,023** |
| 7 | **Other Current Liabilities** | | |
| | Statutory dues including Provident Fund, Tax deducted at Source and Indirect Taxes | 570,005 | 130,747 |
| | | **570,005** | **130,747** |
| 8 | **Short Term Provisions** | | |
| | Provision for Income Tax [Net of Advance Taxes and Tax Deducted at Source Rs. 11,784,865 (March 31, 2014: Rs. 11,784,865)] | 239,823 | 239,823 |
| | | **239,823** | **239,823** |

Price Waterhouse
Chartered Accountants
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NOVELIS (INDIA) INFOTECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015
AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

9 Tangible Assets:

(Amount in Rs.)

| Description | Gross Block | | | | Depreciation | | | | Impairment | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | As at March 31, 2014 | Additions during the year | Deletions during the year | As at March 31, 2015 | Accumulated upto March 31, 2014 | For the year | On deletions during the year | Accumulated upto March 31, 2015 | Accumulated upto March 31, 2014 | For the year | On deletions during the year | Accumulated upto March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| Plant and Machinery | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Furniture and Fixtures | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Office Equipment | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Leasehold Improvements | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Computer Hardware | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Electrical Installation | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Previous Year | 102,313,855 | - | 102,313,855 | - | 64,166,899 | 3,457,978 | 67,624,877 | - | 32,161,715 | - | 32,161,715 | - | - | 5,985,241 |

10 Intangible Assets:

(Amount in Rs.)

| Description | Gross Block | | | | Amortisation | | | | Impairment | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | As at March 31, 2014 | Additions during the year | Deletions during the year | As at March 31, 2015 | Accumulated upto March 31, 2014 | For the year | On deletions during the year | Accumulated upto March 31, 2015 | Accumulated upto March 31, 2014 | For the year | On deletions during the year | Accumulated upto March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| Computer software | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Previous Year | 28,991,557 | - | 28,991,557 | - | 17,298,181 | 373,170 | 17,671,351 | - | 11,047,469 | - | 11,047,469 | - | - | 645,907 |

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Chartered Accountants
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NOVELIS (INDIA) INFOTECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015
AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

| | | As at March 31, 2015 Rs. | As at March 31, 2014 Rs. |
|---|---|---|---|
| 11 | **Cash and Bank Balances** | | |
| | Cash and Cash Equivalents: | | |
| | Balances with a Bank: | | |
| | - In Current Account | 2,617,624 | 389,410 |
| | - In Term Deposits with Initial Maturity of 3 Months or less | 2,659,896 | 2,500,000 |
| | | 5,277,520 | 2,889,410 |
| | Other Bank Balances: | | |
| | - Deposits with maturity more than 3 Months but less than 12 months | 14,148,256 | 8,500,000 |
| | | **19,425,776** | **11,389,410** |
| 12 | **Short-Term Loans and Advances** | | |
| | **Unsecured, Considered Good:** | | |
| | Security Deposits | 50,000 | 3,878,530 |
| | Advances recoverable in cash or kind | 10,000 | 15,349 |
| | Advance Income Tax [(Net of Provision Rs 15,730,000 (March 31, 2014: Rs. 15,495,000)] | 1,380,623 | 230,403 |
| | | **1,440,623** | **4,124,282** |
| 13 | **Other Current Assets** | | |
| | **Unsecured, Considered Good:** | | |
| | Interest accrued on Deposits | 280,786 | 87,785 |
| | Receivable on Sale of fixed assets | - | 2,800,000 |
| | Receivable from Parent Company | 3,694,504 | 2,338,244 |
| | Others | - | 1,776,287 |
| | | **3,975,290** | **7,002,316** |
| 14 | **Contingent Liabilites** | | |
| | Claims against the Company not acknowledged as debts: | | |
| | Income Tax matters | 561,257 | 960,432 |

Future cash flows in respect of the above matters are determinable only on receipt of judgment/ decisions pending with various forums/ authorities.

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NOVELIS (INDIA) INFOTECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015
AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

| | | For the year ended March 31, 2015 Rs. | For the year ended March 31, 2015 Rs. | For the year ended March 31, 2014 Rs. |
|---|---|---|---|---|
| 15 | **Revenue from Operations** | | | |
| | Sale of Services: | | | |
| | Income from Information Technology Services | | - | 35,169,030 |
| | | | - | **35,169,030** |
| 16 | **Other Income** | | | |
| | Interest Income on Fixed Deposit | | 1,182,746 | 105,441 |
| | Gain on Foreign Currency Transactions and Translations (Net) | | - | 25,830,378 |
| | | | **1,182,746** | **25,935,819** |
| 17 | **Employee Benefits Expense** | | | |
| | Salaries, Wages, Allowances and Other Benefits | | - | 120,283 |
| | | | - | **120,283** |
| 18 | **Depreciation and Amortisation Expense** | | | |
| | Depreciation on Tangible Assets | | - | 3,457,978 |
| | Amortisation on Intangible Assets | | - | 373,170 |
| | | | - | **3,831,148** |
| 19 | **Other Expenses (Net)** | | | |
| | Travelling and Conveyance | 28,164 | | 135,605 |
| | Rates and Taxes | 357,166 | | - |
| | Communication | - | | 320,684 |
| | Professional Fees | 4,077,334 | | 17,142,897 |
| | Rent | 180,000 | | 3,028,247 |
| | Deposit written off | 25,000 | | - |
| | Electricity | - | | 1,012,770 |
| | Repairs and Maintenance: | | | |
| | - Others | - | | 3,532,317 |
| | Auditors' Remuneration (Refer Note 20) | 508,700 | | 613,034 |
| | Security | - | | 252,379 |
| | Printing and Stationery | 2,020 | | 15,612 |
| | Housekeeping | - | | 167,269 |
| | Loss on Foreign Currency Transactions and Translations (Net) | 6,430 | | - |
| | Miscellaneous | 79,075 | | 576,662 |
| | | 5,263,889 | | 26,797,476 |
| | Less: Recovery of Expenses from Parent company * | (5,257,459) | | (1,441,387) |
| | | | **6,430** | **25,356,089** |

*Pertains to expenses incurred by the company post discontinuance of operations which have been recovered from the parent.

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**20 Auditors' Remuneration:**

| | For the Year Ended March 31, 2015 Rs. | For the Year Ended March 31, 2014 Rs. |
|---|---|---|
| As Auditors: | | |
| Audit Fee | 500,000 | 500,000 |
| Tax Audit Fee | - | 100,000 |
| Reimbursement of Expenses | 8,700 | 13,034 |
| | **508,700** | **613,034** |

**21 Managerial Remuneration:**

| | For the Year Ended March 31, 2015 Rs. | For the Year Ended March 31, 2014 Rs. |
|---|---|---|
| Salary, Allowances and Perquisites | - | 120,283 |

**22 a) Expenditure in Foreign Currency:**

| | For the Year Ended March 31, 2015 Rs. | For the Year Ended March 31, 2014 Rs. |
|---|---|---|
| Membership Fees | - | 65,227 |

**b) Earnings in Foreign Currency:**

| | For the Year Ended March 31, 2015 Rs. | For the Year Ended March 31, 2014 Rs. |
|---|---|---|
| Income from Information Technology Services | - | 35,169,030 |
| Recovery of Expenses from Parent company | 5,257,459 | 1,441,387 |
| | **5,257,459** | **36,610,417** |

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## 23 Related Party Disclosures:

### i) Relationship:

| Description of relationship | Names of related parties |
|---|---|
| (a) Ultimate Holding Company | Hindalco Industries Limited |
| (b) Holding Company | Novelis Inc., Canada |
| (c) Fellow Subsidiary * | Novelis Do Brasil Ltda, Brazil |
| (d) Key Management Personnel | Mr. Yaksh Dutt (up to January 13, 2014) |

* Note: The list of related parties above has been limited to entities with which transactions have taken place during the year or the previous year.

### ii) Particulars of transactions with Related Parties

| Nature of the Transactions | For the Year Ended March 31, 2015 Rs. | For the Year Ended March 31, 2014 Rs. |
|---|---|---|
| a) Novelis Inc., Canada | | |
| i) Transactions | | |
| Service Income | - | 20,266,426 |
| Recovery of Expenses | 5,257,459 | 1,441,387 |
| Repayment of Share Capital | - | 197,255,500 |
| Remittance - Accumulated Profits | - | 58,244,500 |
| ii) Closing Balance | | |
| Other Current Assets | 3,694,504 | 3,779,631 |
| b) Novelis Do Brasil Ltda, Brazil | | |
| i) Transactions | | |
| Service Income | - | 14,902,604 |
| c) Yaksh Dutt | | |
| Remuneration | - | 120,283 |

## 24 Operating Lease Transactions:

The Company has entered into a leasing arrangement for premises that are renewable on a periodic basis and are cancellable in nature. Rental expense for operating leases for the year aggregated Rs. 180,000 (March 31, 2014: Rs. 3,028,247).

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NOVELIS (INDIA) INFOTECH LIMITED
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**25 Segment Reporting:**

**(i) Information about Primary Business Segment:**

The Company operated only in Information Technology Services. This, in the context of Accounting Standard 17 on Segment Reporting, is considered to constitute a single primary segment. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year are all as reflected in the financial statements for the year ended March 31, 2015 and as on that date.

**(ii) Information about Secondary Geographical Segment:**

(Amount in Rs.)

| Particulars | March 31, 2015 | | | March 31, 2014 | | |
|---|---|---|---|---|---|---|
| | India | Outside India | Total | India | Outside India | Total |
| External Revenue | - | - | - | - | 35,169,030 | 35,169,030 |
| Carrying amount of Segment Assets | 21,147,185 | 3,694,504 | 24,841,689 | 18,736,377 | 3,779,631 | 22,516,008 |
| Capital Expenditure | - | - | - | - | - | - |

**(iii) Note:**

Segment revenue in the geographical segments considered for disclosure is as follows:
- Revenue within India includes sales to customers located within India and earnings in India
- Revenue outside India includes sales to customers located outside India, earnings outside India

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**26 Micro, Small and Medium Enterprises Development Act, 2006:**

Under the Micro, Small and Medium Enterprises Development Act, 2006, which came into force on 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. Based on the information available with the Company, none of its suppliers are covered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2015.

**27 Derivative Instruments and Foreign Currency Exposures:**

As of the Balance Sheet date, the foreign currency exposure not hedged by a derivative instrument or otherwise is amounting to Rs. 3,694,504 (USD 59,026) [March 31, 2014 : Rs. 3,779,631 (USD 62,889)] for receivables.

**28 Earnings Per Equity Share:**

| | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---|---|---|
| Profit after Tax (Rs.) | 941,316 | 25,747,329 |
| Weighted Average number of Equity Shares outstanding during the year | 1,000,000 | 16,942,568 |
| Basic and Diluted Earnings Per Share (Rs.) | 0.94 | 1.52 |
| Nominal value of an equity share (Rs.) | 10 | 10 |

**29 Provision for Contingencies:**

| | Custom Duty (Refer Note below) Rs. |
|---|---|
| Opening Balance | - (3,202,701) |
| Add: Additional provision made | - (-) |
| Less: Provision utilised during the year | - (3,202,701) |
| Less: Provision reversed during the year | - (-) |
| Closing Balance | - (-) |

Figures in brackets pertain to the year ended March 31, 2014.

Note: Represents provision for custom duty on debonding of fixed assets from the SEZ that were imported without payment of custom duty for which payment was made prior to closure of business operations.

30 The previous year figures have been reclassified to conform to current year's classification wherever applicable.

For **Price Waterhouse**
Firm Registration No: 301112E
Chartered Accountants

Sunil Seth
Partner
Membership No. 105869

Place: Mumbai
Date: June 29, 2015

For and on behalf of the Board of Directors

Anil Malik
Director
DIN No. 00170411

Place: Mumbai
Date: June 29, 2015

Debashish Ray
Director
DIN No. 02532601

Place: Mumbai
Date: June 29, 2015

Debashish Ghosh
Company Secretary

Place: Mumbai
Date: June 29, 2015