

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) March 14, 2006

NOVELIS INC.

(Exact name of registrant as specified in its charter)

Canada 001-32312 98-0442987

(State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

3399 Peachtree Road NE, Suite 1500, Atlanta, GA 30326

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (404) 814-4200

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other events.

Novelis announces hiring of new Controller

On March 20, 2006, Novelis announced that Robert M. Patterson will join Novelis as a senior finance professional, effective March 27, 2006. He will assume the position and responsibilities of Controller of Novelis once the current Controller has completed her work for Novelis. This is expected to occur after Novelis finalizes 2005 financial results and files an annual report on Form 10-K for the year ended December 31, 2005.

Mr. Patterson joins Novelis from SPX Corporation, where he served most recently as Vice President and Segment Chief Financial Officer. He has held a number of other senior finance roles with SPX and prior to that he was an audit manager with Arthur Andersen. His experience includes extensive work in Europe and China.

Mr. Patterson, a Certified Public Accountant, earned a Bachelor's Degree in Business Administration and a Master's Degree in Accounting from the University of Michigan.

Item 1.01 Entry into a Material Definitive Agreement.

Novelis Board of Directors amends and restricts Founders Award Performance Plan; CEO forfeits award

As discussed in our Form 10-K for the year ended December 31, 2004, on March 24, 2005, the Board of Directors of Novelis Inc. (the "Board") adopted the Novelis

Founders Performance Awards Plan (the "Plan") to allow for a one-time additional compensation opportunity for certain executives of Novelis, including the named executive officers of Novelis listed in the award notifications attached as Exhibits 10.1-10.6 hereto. Participants are awarded performance share units ("PSUs") if share price improvement targets with respect to Novelis common stock for periods beginning in 2005, 2006 and 2007 are achieved. PSUs will not be awarded unless the share price improvement targets are achieved. A PSU is the right to receive cash in an amount equal to the market price of one share of Novelis common stock at the time of payment. If awarded, PSUs for a particular tranche will be paid in cash on the later of six months from the date the specific share price target is achieved or twelve months after the start of the performance period for that tranche and will be based on the average of the daily stock closing price on the New York Stock Exchange for the last five trading days prior to the payment date. The share price improvement target for the period beginning on March 24, 2005, has been achieved, and 131,850 PSUs will be settled in cash on March 24, 2006.

On March 14, 2006, the Board amended the Plan in order to clarify when PSUs will be awarded under the second and third tranches of the Plan for periods beginning in 2006 and 2007, respectively. The amended Plan now provides that the second and third tranches of PSUs will be awarded if, during the period of each tranche, the share price reaches (or exceeds) the target price and is maintained or exceeded for 15 consecutive trading days during an open trading period for directors and executive officers (i.e. any period, other than a trading blackout period, in which directors and executives are free to purchase or sell shares of Novelis common stock). Previously, the Plan did not specify that the 15 day PSU vesting period must occur during an open trading period.

On March 14, 2006, the Chief Executive Officer, Brian W. Sturgell, agreed with the Board that, in light of the ongoing financial reporting delay and restatement of Novelis' financials, Mr. Sturgell would forfeit his PSU award for the first tranche of the Founders Performance Award. The Board approved an increase in the size of the award opportunity for Mr. Sturgell for the second and third tranches under the Plan in an aggregate amount equal to the PSUs that Mr. Sturgell forfeited for the first tranche. The award size for each tranche was increased from a potential of 46,850 PSUs to a potential of 70,275 PSUs. The PSUs for the second and third tranches will not be awarded unless the share price improvement targets specified in the Plan (\$25.31 and \$27.28, respectively) are achieved.

Novelis Board of Directors withholds CFO's short term incentive award; issues one time retention payment

On March 15, 2006, the Human Resources Committee of the Board approved a one time retention payment in the gross amount of \$410,805 to current Chief Financial Officer, Geoff Batt, for his services rendered (and to be rendered) during the transition period until a new Chief Financial Officer replaces Mr. Batt. In light of the ongoing financial reporting delay and restatement of Novelis' financials, Mr. Batt will not be paid a short term incentive award for 2005.

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 hereunto duly authorized.

NOVELIS INC.

Date: March 20, 2006

By: /s/ David Kennedy

David Kennedy
Secretary

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

10.1 Novelis Founders Performance Award Notification for Brian Sturgell dated March 31, 2005, as amended and restated as of March 14, 2006

- 10.2 Novelis Founders Performance Award Notification for Martha Brooks dated March 31, 2005
- 10.3 Novelis Founders Performance Award Notification for Chris Bark-Jones dated March 31, 2005
- 10.4 Novelis Founders Performance Award Notification for Jack Morrison dated March 31, 2005
- 10.5 Novelis Founders Performance Award Notification for Pierre Arseneault dated March 31, 2005
- 10.6 Novelis Founders Performance Award Notification for Geoff Batt dated March 31, 2005
- 10.7 Novelis Founders Performance Awards Plan, as amended and restated as of March 14, 2006
- 10.8 Description of Retention Payment for Geoff Batt

Novelis Founders Performance Award - Brian Sturgell

Novelis Share Price Targets

Initial Price - March 24	\$21.82 - NYSE Closing Price on March 24, 2005
8% Increase Price	\$23.57 - Tranche #1
16% Increase Price	\$25.31 - Tranche #2
25% Increase Price	\$27.28 - Tranche #3

Performance Share Units (PSUs) To Be Awarded

	# of PSUs Awarded	Share Price Target [1]	Start of Measurement Period	End of Measurement Period
Tranche #1	0	\$ 23.57	March 24, 2005	March 23, 2008
Tranche #2	70,275	\$ 25.31	March 24, 2006	March 23, 2008
Tranche #3	70,275	\$ 27.28	March 24, 2007	March 23, 2008
Total Potential Award	140,550			

[1] Closing share price on the NYSE must reach or exceed this level for 15 consecutive trading days

PSU Value at Share Price Target

	# of PSUs Paid in Cash	Share Price Target	Cash Payment [1]
Tranche #1	0	\$ 23.57	\$ -
Tranche #2	70,275	\$ 25.31	\$ 1,778,660
Tranche #3	70,275	\$ 27.28	\$ 1,917,102
Total Potential Value			\$ 3,695,762

[1] Actual payment will be based on closing share price on NYSE for 5 trading days prior to payment

Payment Date

Tranche #1	Later of March 24, 2006 or six months after PSUs awarded
Tranche #2	Later of March 24, 2007 or six months after PSUs awarded
Tranche #3	Later of March 24, 2008 or six months after PSUs awarded

Agreed and Accepted by:

Executive's Name: Brian Sturgell

Executive's Signature: /s/ Brian Sturgell Date: March 14, 2006

Novelis Founders Performance Award - Martha Brooks

Novelis Share Price Targets

Initial Price - March 24	\$21.82 - NYSE Closing Price on March 24, 2005
8% Increase Price	\$23.57 - Tranche #1
16% Increase Price	\$25.31 - Tranche #2
25% Increase Price	\$27.28 - Tranche #3

Performance Share Units (PSUs) To Be Awarded

	# of PSUs Awarded	Share Price Target [1]	Start of Measurement Period	End of Measurement Period
Tranche #1	23,750	\$ 23.57	March 24, 2005	March 23, 2008
Tranche #2	23,750	\$ 25.31	March 24, 2006	March 23, 2008
Tranche #3	23,750	\$ 27.28	March 24, 2007	March 23, 2008
Total Potential Award	71,250			

[1] Closing share price on the NYSE must reach or exceed this level for 15 consecutive trading days

PSU Value at Share Price Target

	# of PSUs Paid in Cash	Share Price Target	Cash Payment [1]
Tranche #1	23,750	\$ 23.57	\$ 559,788
Tranche #2	23,750	\$ 25.31	\$ 601,113
Tranche #3	23,750	\$ 27.28	\$ 647,900
Total Potential Value			\$ 1,808,800

[1] Actual payment will be based on closing share price on NYSE for 5 trading days prior to payment

Payment Date

Tranche #1	Later of March 24, 2006 or six months after PSUs awarded
Tranche #2	Later of March 24, 2007 or six months after PSUs awarded
Tranche #3	Later of March 24, 2008 or six months after PSUs awarded

Agreed and Accepted by:

Executive's Name: Martha Brooks

Executive's Signature: /s/ Martha Brooks

Date: March 31, 2005

Novelis Founders Performance Award - Chris Bark-Jones

Novelis Share Price Targets

Initial Price - March 24	\$21.82 - NYSE Closing Price on March 24, 2005
8% Increase Price	\$23.57 - Tranche #1
16% Increase Price	\$25.31 - Tranche #2
25% Increase Price	\$27.28 - Tranche #3

Performance Share Units (PSUs) To Be Awarded

	# of PSUs Awarded	Share Price Target [1]	Start of Measurement Period	End of Measurement Period
Tranche #1	7,200	\$ 23.57	March 24, 2005	March 23, 2008
Tranche #2	7,200	\$ 25.31	March 24, 2006	March 23, 2008
Tranche #3	7,200	\$ 27.28	March 24, 2007	March 23, 2008
Total Potential Award	21,600			

[1] Closing share price on the NYSE must reach or exceed this level for 15 consecutive trading days

PSU Value at Share Price Target

	# of PSUs Paid in Cash	Share Price Target	Cash Payment [1]
Tranche #1	7,200	\$ 23.57	\$ 169,704
Tranche #2	7,200	\$ 25.31	\$ 182,232
Tranche #3	7,200	\$ 27.28	\$ 196,416
Total Potential Value			\$ 548,352

[1] Actual payment will be based on closing share price on NYSE for 5 trading days prior to payment

Payment Date

Tranche #1	Later of March 24, 2006 or six months after PSUs awarded
Tranche #2	Later of March 24, 2007 or six months after PSUs awarded
Tranche #3	Later of March 24, 2008 or six months after PSUs awarded

Agreed and Accepted by:

Executive's Name: Chris Bark-Jones

Date: March 31, 2005

Executive's Signature: /s/ Chris Bark-Jones

Novelis Founders Performance Award - Jack Morrison

Novelis Share Price Targets

Initial Price - March 24	\$21.82 - NYSE Closing Price on March 24, 2005
8% Increase Price	\$23.57 - Tranche #1
16% Increase Price	\$25.31 - Tranche #2
25% Increase Price	\$27.28 - Tranche #3

Performance Share Units (PSUs) To Be Awarded

	# of PSUs Awarded	Share Price Target [1]	Start of Measurement Period	End of Measurement Period
Tranche #1	7,200	\$ 23.57	March 24, 2005	March 23, 2008
Tranche #2	7,200	\$ 25.31	March 24, 2006	March 23, 2008
Tranche #3	7,200	\$ 27.28	March 24, 2007	March 23, 2008
Total Potential Award	21,600			

[1] Closing share price on the NYSE must reach or exceed this level for 15 consecutive trading days

PSU Value at Share Price Target

	# of PSUs Paid in Cash	Share Price Target	Cash Payment [1]
Tranche #1	7,200	\$ 23.57	\$ 169,704
Tranche #2	7,200	\$ 25.31	\$ 182,232
Tranche #3	7,200	\$ 27.28	\$ 196,416
Total Potential Value			\$ 548,352

[1] Actual payment will be based on closing share price on NYSE for 5 trading days prior to payment

Payment Date

Tranche #1	Later of March 24, 2006 or six months after PSUs awarded
Tranche #2	Later of March 24, 2007 or six months after PSUs awarded
Tranche #3	Later of March 24, 2008 or six months after PSUs awarded

Agreed and Accepted by:

Executive's Name: Jack Morrison

Date: March 31, 2005

Executive's Signature: /s/ Jack Morrison

Novelis Founders Performance Award - Pierre Arseneault

Novelis Share Price Targets

Initial Price - March 24	\$21.82 - NYSE Closing Price on March 24, 2005
8% Increase Price	\$23.57 - Tranche #1
16% Increase Price	\$25.31 - Tranche #2
25% Increase Price	\$27.28 - Tranche #3

Performance Share Units (PSUs) To Be Awarded

	# of PSUs Awarded	Share Price Target [1]	Start of Measurement Period	End of Measurement Period
Tranche #1	6,000	\$ 23.57	March 24, 2005	March 23, 2008
Tranche #2	6,000	\$ 25.31	March 24, 2006	March 23, 2008
Tranche #3	6,000	\$ 27.28	March 24, 2007	March 23, 2008
Total Potential Award	18,000			

[1] Closing share price on the NYSE must reach or exceed this level for 15 consecutive trading days

PSU Value at Share Price Target

	# of PSUs Paid in Cash	Share Price Target	Cash Payment [1]
Tranche #1	6,000	\$ 23.57	\$ 141,420
Tranche #2	6,000	\$ 25.31	\$ 151,860
Tranche #3	6,000	\$ 27.28	\$ 163,680
Total Potential Value			\$ 456,960

[1] Actual payment will be based on closing share price on NYSE for 5 trading days prior to payment

Payment Date

Tranche #1	Later of March 24, 2006 or six months after PSUs awarded
Tranche #2	Later of March 24, 2007 or six months after PSUs awarded
Tranche #3	Later of March 24, 2008 or six months after PSUs awarded

Agreed and Accepted by:

Executive's Name: Pierre Arseneault

Executive's Signature: /s/ Pierre Arseneault

Date: March 31, 2005

 Novelis Founders Performance Award - Geoffrey Batt

 Novelis Share Price Targets

Initial Price - March 24	\$21.82 - NYSE Closing Price on March 24, 2005
8% Increase Price	\$23.57 - Tranche #1
16% Increase Price	\$25.31 - Tranche #2
25% Increase Price	\$27.28 - Tranche #3

 Performance Share Units (PSUs) To Be Awarded

	# of PSUs Awarded	Share Price Target [1]	Start of Measurement Period	End of Measurement Period
Tranche #1	12,150	\$ 23.57	March 24, 2005	March 23, 2008
Tranche #2	12,150	\$ 25.31	March 24, 2006	March 23, 2008
Tranche #3	12,150	\$ 27.28	March 24, 2007	March 23, 2008
Total Potential Award	36,450			

[1] Closing share price on the NYSE must reach or exceed this level for 15 consecutive trading days

 PSU Value at Share Price Target

	# of PSUs Paid in Cash	Share Price Target	Cash Payment [1]
Tranche #1	12,150	\$ 23.57	\$ 286,376
Tranche #2	12,150	\$ 25.31	\$ 307,517
Tranche #3	12,150	\$ 27.28	\$ 331,452
Total Potential Value			\$ 925,344

[1] Actual payment will be based on closing share price on NYSE for 5 trading days prior to payment

 Payment Date

Tranche #1	Later of March 24, 2006 or six months after PSUs awarded
Tranche #2	Later of March 24, 2007 or six months after PSUs awarded
Tranche #3	Later of March 24, 2008 or six months after PSUs awarded

Agreed and Accepted by:

Executive's Name: Geoffrey Batt

Executive's Signature: /s/ Geoffrey Batt

Date: March 31, 2005



NOVELIS INC.

**NOVELIS FOUNDERS PERFORMANCE AWARDS PLAN
(Amended and Restated March 14, 2006)**

1. PURPOSES AND INTRODUCTORY STATEMENTS.

The purposes of the Novelis Founders Performance Awards (the "Plan") are (i) to promote alignment of key executives with critical new share price targets for Novelis, (ii) to provide a one-time additional compensation opportunity for the key executives who will have the most significant impact on future Novelis share price, and (iii) to align the financial interests of the key executives with the shareholders with the intention of ensuring that management wins when shareholder returns are achieved.

The Plan provides for the award of Performance Share Units ("PSUs") if certain Novelis share price improvement targets are achieved within the prescribed time periods. A PSU is equivalent in value to one share of Novelis stock although the PSU itself is not stock. There will be three equal (in number of PSUs) tranches of PSUs and each tranche will have a specific share price improvement target. PSUs for any tranche will be awarded when the share price improvement target for that tranche is achieved. Any PSUs that are awarded are paid in cash at the time prescribed by the Plan. The value of the PSUs to be paid will be determined at the time of the payment and will be subject to the changes in the price of Novelis shares (up or down) until payment is made.

2. PARTICIPATION.

The key executives as selected by Novelis Management and approved by the Human Resources Committee (the "Committee") will participate in the Plan.

3. NOVELIS SHARE PRICE IMPROVEMENT TARGETS.

For the first tranche of PSUs, the Novelis share price improvement target is \$23.57 which is 8% higher than the initial March 24, 2005 price of \$21.82; (i.e. the closing NYSE price on March 24, 2005). The target applies for the period March 24, 2005 through March 23, 2008.

For the second tranche of PSUs, the Novelis share price improvement target is \$25.31 which is 16% higher than the initial March 24, 2005 price of \$21.82. The \$25.31 target applies for the period March 24, 2006 through March 23, 2008.

For the third tranche of PSUs, the Novelis share price improvement target is \$27.28 which is 25% higher than the initial March 24, 2005 price of \$21.82. The \$27.28 target applies for the period March 24, 2007 through March 23, 2008.

4. AWARD OF PERFORMANCE SHARES UNITS (PSUs).

The first tranche of PSUs will be awarded if, during the period March 24, 2005 through March 23, 2008, the share price reaches (or exceeds) the target price of \$23.57 and is maintained (or exceeded) for a period of fifteen (15) consecutive trading days (based on NYSE daily closing prices) during the period.

The second tranche of PSUs will be awarded if, during the period March 24, 2006 through March 23, 2008, the share price reaches (or exceeds) the target price of \$25.31 (based on NYSE daily closing prices) and is maintained or exceeded for 15 consecutive trading days during an open trading period for Directors and Executive Officers (i.e. any period, other than a blackout period, in which directors and executives are free to purchase or sell shares in the company).

The third tranche of PSUs will be awarded if, during the period March 24, 2007 through March 23, 2008, the share price reaches (or exceeds) the target price of \$27.28 (based on NYSE daily closing prices) and is maintained or exceeded for 15 consecutive trading days during an open trading period for Directors and Executive Officers (i.e. any period, other than a blackout period, in which directors and executives are free to purchase or sell shares in the company).

5. PAYMENT OF AWARDED PERFORMANCE SHARE UNITS (PSUs).

The first tranche of PSUs, if awarded, will be paid on the later of six months from the date of the award or March 24, 2006. The price of the PSUs will be the average of the daily closing prices on the NYSE for the last five (5) trading days prior to the payment date. This price can be higher or lower than the \$23.57 share price improvement target based on actual market prices at the time of the payment. The payment will be made in cash and will be subject to required withholding taxes.

The second tranche of PSUs, if awarded, will be paid on the later of six months from the date of the award or March 24, 2007. The price of the PSUs will be the average of the daily closing prices on the last five (5) trading days prior to the payment date. This price can be higher or lower than the \$25.31 share price improvement target based on actual market prices at the time of the payment. The payment will be made in cash and will be subject to required withholding taxes.

The third tranche of PSUs, if awarded, will be paid on the later of six months from the date of the award or March 24, 2008. The price of the PSUs will be the average of the daily closing prices on the last five (5) trading days prior to the payment date. This price can be higher or lower than the \$27.28 share price improvement target based on actual market prices at the time of the payment. The payment will be made in cash and will be subject to required withholding taxes.

6. CHANGE OF CONTROL.

Upon the occurrence of a Change of Control Event (as defined in the Separation Agreement relating to Novelis's separation from Alcan inc.), all PSUs awarded prior to the Change of Control Event will be paid. Any PSUs that have not been awarded will be forfeited.

7. TERMINATION OF EMPLOYMENT.

Upon the occurrence of a termination as the result of retirement, death or disability, all PSUs awarded prior to the termination will be paid at the same time as for active Participants. For all other terminations, all PSUs, whether awarded or not, will be forfeited.

8. NON-ASSIGNABLE.

No PSU or any interest therein shall be assignable by the Participant otherwise than by will or the laws of descent and distribution. During the life of the Participant, a PSU shall be paid only to the Participant or the Participant's legal representative.

9. ADMINISTRATION, AMENDMENT AND TERMINATION.

The Plan shall be administered by the Committee. The Committee shall have full and complete authority to interpret the Plan and to prescribe such rules and regulations and make such other determinations as it deems necessary or desirable for the administration of the Plan.

The Novelis Board of Directors (the "Board") may at any time and from time to time amend, suspend or terminate the Plan in whole or in part. No such amendment, suspension or termination may, without the consent of the Participant to whom PSUs have been awarded, adversely affect the rights of such Participant with regard to those awarded PSUs.

10. APPROVAL.

The Plan was adopted by the Board on March 24, 2005. The Plan was amended and restated by the Board on March 14, 2006.

March 14, 2006

Exhibit 10.8**Description of Retention Payment for Geoff Batt**

On March 15, 2006, the Human Resources Committee of the Board of Novelis Inc. approved a one time retention payment in the gross amount of \$410,805 to current Chief Financial Officer, Geoff Batt, for his services rendered (and to be rendered) during the transition period until a new Chief Financial Officer replaces Mr. Batt. In light of the ongoing financial reporting delay and restatement of Novelis' financials, Mr. Batt will not be paid a short term incentive award for 2005.