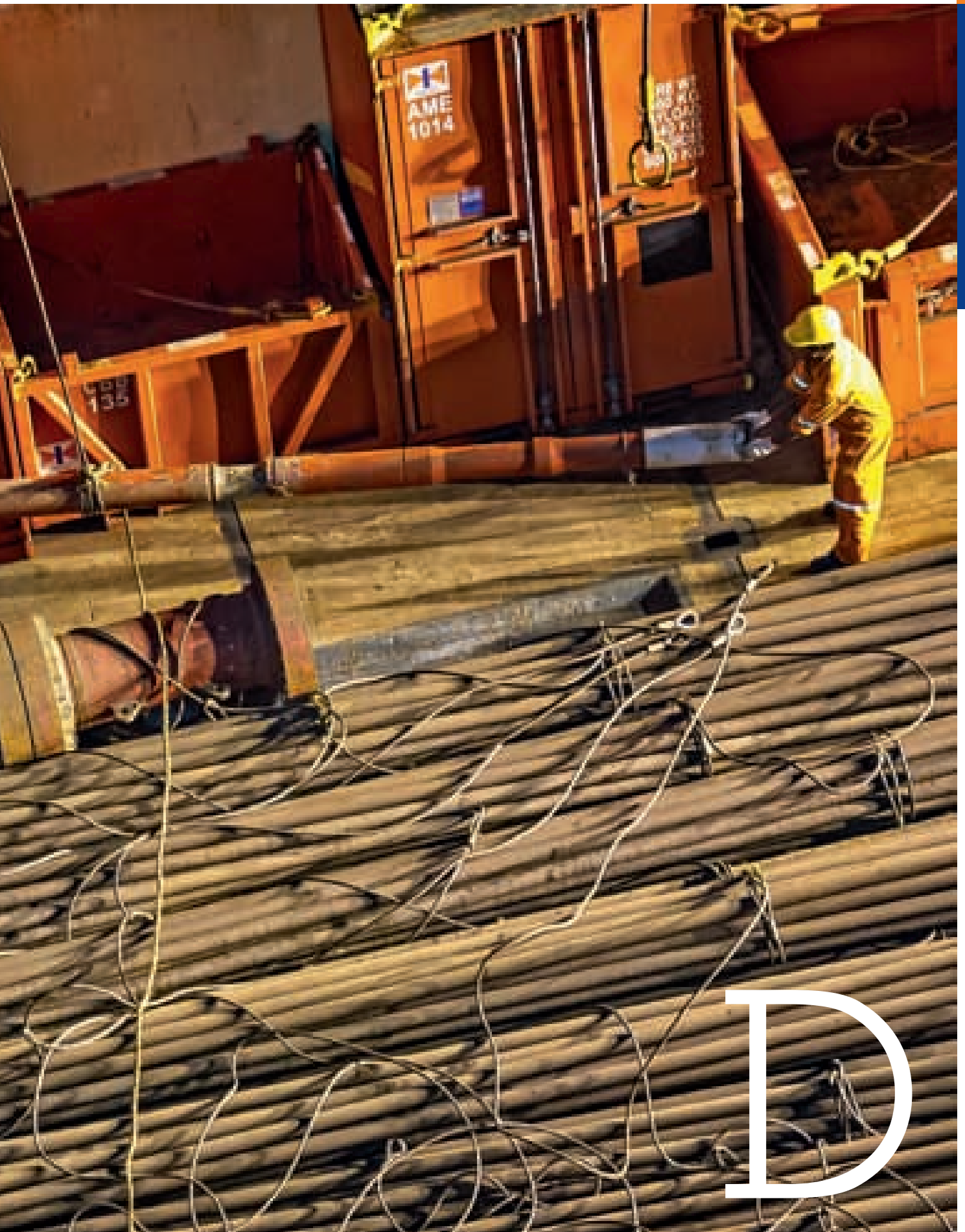


Corporate Governance





CORPORATE GOVERNANCE

Report On Corporate Governance

The Company believes that sound corporate governance is a key element for enhancing and retaining the trust of investors and various other stakeholders. As a responsible corporate citizen your Company has evolved best practices which are structured to institutionalise policies and procedures that enhance the efficacy of the Board and inculcate a culture of accountability, transparency and integrity across the Cairn India group as a whole.

BOARD OF DIRECTORS

COMPOSITION, BOARD PROCEDURE AND INFORMATION SUPPLIED TO THE BOARD

Your Company endeavours to have judicious mix of executive, non-executive and independent Directors, so as to have independence on the Board and

separate its function of governance from that of management.

As on 31 March, 2014, the Board comprised 8 Directors, including seven non-executive Directors, four of whom are also independent.

The Chairman of the Board is a non-executive Promoter Director and the

Chairman's office is separate from that of the Chief Executive Officer. The experience of all Directors, who are renowned professionals, having diverse expertise in finance, economics, oil and gas, general administration and management, has strengthened the governance and management of Company's affairs.

1. COMPOSITION OF THE BOARD AS ON 31 MARCH, 2014

S.No.	Name of the Director	Executive/Non-Executive	No. of other Directorships		Memberships/ Chairmanships of Board level Committees**	
			Indian	Others*	Member	Chairman
1	Mr. Navin Agarwal	Chairman, Non-Executive Director	4	5	-	-
2	Mr. Tarun Jain	Non-Executive Director	2	3	3	-
3	Ms. Priya Agarwal	Non-Executive Director	-	-	-	-
4	Mr. Aman Mehta	Non-Executive Independent Director	5	2	3	3
5	Mr. Naresh Chandra	Non-Executive Independent Director	9	3	10	-
6	Dr. Omkar Goswami	Non-Executive Independent Director	9	2	7	3
7	Mr. Edward T. Story	Non-Executive Independent Director	-	3	2	-
8	Mr. P. Elango	Interim CEO and Wholtime Director	-	13	-	-

* Directorships in private limited companies, foreign companies and not for profit companies under the Companies Act, 1956.

** Only Audit Committee and the Shareholders' / Investors' Grievance Committee of Indian public limited companies have been considered.



Well organised process for seeking Board approval facilitates and provides room for sound decision-making by the Board

2. DIRECTORS' ATTENDANCE RECORD FOR THE YEAR ENDED 31 MARCH, 2014

S.No.	Name of the Director	No. of meetings held during the financial year	No. of meetings attended	Presence at the last AGM
1	Mr. Navin Agarwal	5	4	Yes
2	Mr. Tarun Jain	5	4	Yes
3	Ms. Priya Agarwal	5	3	Yes
4	Mr. Aman Mehta	5	5	Yes
5	Mr. Naresh Chandra	5	4	Yes
6	Dr. Omkar Goswami*	5	4	Yes
7	Mr. Edward T. Story**	5	4	Yes
8	Mr. P. Elango*	5	5	Yes

* Participated in the proceedings of one Board meeting through video conference.

** In addition, also participated in the proceedings of one Board meeting through audio conference.

The composition of the Board as on 31 March, 2014 is given in Table 1. None of the Directors are members of more than ten Board-level committees of Indian public limited companies; nor are they chairmen of more than five committees in which they are members. Further, none of the Directors is related to the other Director, or to any other employee of the Company except Mr. Navin Agarwal and Ms. Priya Agarwal. Ms. Agarwal is the daughter of Mr. Navin Agarwal's elder brother, Mr. Anil Agarwal.

There is a well organised process for seeking Board approval which facilitates and provides room for sound decision-making by the Board and its Committees. The Board/Committee meeting dates are usually finalised well before the beginning of the year. Detailed agenda, management reports and other explanatory statements are circulated at least seven days ahead of the meeting. To address specific urgent needs, meetings are also called at shorter notice but never less than a minimum of seven days. In some instances, resolutions

are also passed by circulation. These are often preceded by Board discussions through audio conference. The Directors are also free to recommend inclusion of any matter in the agenda for discussion. Senior management officials are often called to provide additional inputs on the matters being discussed by the Board/Committee.

The Board has complete access to all the relevant information of the Company. The quantum and quality of information supplied by the management to the Board goes well beyond the minimum requirement stipulated in Clause 49 of the listing agreement. All information, except critical price sensitive information (which is handed out at the meetings), is given to the Directors well in advance of the Board and Committee meetings.

BOARD SUPPORT AND ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role

in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board for consideration and for the preparation of the agenda as well as convening of the Board meetings. The Company Secretary attends all the meetings of the Board and its Committees, advises/assures the Board on compliance and governance principles and ensures appropriate recording of minutes of the meetings. Further, the process for the Board/Committee meetings provides an effective post meeting follow up, review and reporting process for the action taken on the decisions/ instructions of the Board and its Committees. As per Board's decision, the Company Secretary intimates the action points arising out of the deliberations during the meeting to the concerned functional heads who in turn provide updates to the Board at the next meeting. All the Directors of the Company have access to the advice and services of the Company Secretary.

NUMBER OF BOARD MEETINGS AND THE ATTENDANCE OF DIRECTORS

The Board meets atleast once in a quarter to review the quarterly financial results and other items on the agenda. Additional meetings are held as and when required. Video/ tele-conferencing facilities are also provided to enable Directors to participate in Board meetings. During the year ended 31 March, 2014, the Board of Directors met five times viz. on 22 April, 2013, 24 July, 2013, 22 October, 2013, 26 November, 2013 and 23 January, 2014. The maximum gap between any two meetings was less than four months.

Table 2 gives the Directors' attendance at board meetings and the annual general meeting (AGM) of the Company held during the year ended 31 March, 2014.

DIRECTORS' REMUNERATION

Table 3 lists the remuneration paid or payable to the Directors for the financial year under review. The non-executive Directors do not have any material pecuniary relationship or transactions with the Company, other than sitting/ fees/ Directors' remuneration paid/ payable to them. The non-executive Directors are eligible for commission upto 1% of net profits as permitted by the Companies Act, 1956 and as approved by shareholders in the annual general meeting held on 18 August, 2011.

During the year under review, 46,758 stock options were granted to Mr. P. Elango, interim CEO & Wholtime Director under the Cairn India Performance Option Plan (CIPOP). Under the CIPOP scheme, the options are granted at an exercise price of INR 10/- per option and the vesting happens after a period of three years subject to fulfilment of conditions provided in the said scheme. Mr. Elango has not exercised any stock options during the year. Mr. P Elango's

appointment as Wholtime Director is for a tenure to be determined by the Board or its Committee within the limits prescribed under the Companies Act. His appointment is terminable by the Company by giving 1 month notice or salary in lieu thereof.

The remuneration paid to the executive Director is determined keeping in view the industry benchmark, the relative performance of the Company to the industry performance and macro-economic review on remuneration packages of CEOs of other organizations. Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

The total remuneration also includes the annual performance bonus and is based on Company and individual performance. The annual performance bonus drives high performance culture to achieve the organization's objectives by differentiating rewards based on performance.

SHAREHOLDING OF NON-EXECUTIVE OR INDEPENDENT DIRECTORS

None of the non-executive or independent Directors holds any equity shares or convertible instruments of the Company.

CODE OF CONDUCT

During the year under review, the Company has made amendments to its Code of Business Ethics (Code) to bring it in line with the current best industry practices and applicable laws. Relevant provisions of the US Foreign Corrupt Practices Act were incorporated in the Code to make it more robust and to strengthen it in line with Cairn India business principles. The revised Code was approved by the Board. The Code is applicable to everyone in the Company and its subsidiaries including employees,

contractors and Directors. Details of the Code are available at www.cairnindia.com. All Directors and employees including senior management have affirmed compliance with the Code for the year ended 31 March, 2014.

COMMITTEES OF THE BOARD

Audit committee

The Company has an adequately qualified Audit Committee. As on 31 March, 2014, the Committee comprised five non-executive Directors viz. Mr. Aman Mehta (Chairman), Mr. Naresh Chandra, Mr. Tarun Jain, Dr. Omkar Goswami and Mr. Edward T. Story. Four of the five members are independent. All members have the financial knowledge and expertise mandated by Clause 49 of the listing agreement.

The Board at its meeting held on 23 April, 2014, has amended and enhanced the terms of reference of the Audit Committee. The current charter of the Audit Committee, after such amendment, is in line with international best practices as well as the regulatory requirements mandated by Companies Act, 2013, SEBI and Clause 49 of the listing agreement. The Chief Financial Officer and Chief Internal Auditor of the Company and the relevant partner of the Statutory Auditor firm are invitees to the meetings of the Audit Committee. Ms. Neerja Sharma, Director - Risk Assurance & Company Secretary is the Secretary to the Committee. During the year ended 31 March, 2014, the Audit Committee met four times viz. on 22 April, 2013, 23 July, 2013, 22 October, 2013 and 23 January, 2014. The attendance record of the Audit Committee is given in Table 4. Mr. Aman Mehta, Chairman of the Audit Committee, was present at the Company's last AGM held on 24 July, 2013.

Terms of Reference

- Overseeing the Company's financial



Company has made amendments to its Code of Business Ethics (Code) to bring it in line with the current best industry practices and applicable laws

3. DIRECTORS' REMUNERATION FOR THE YEAR ENDED 31 MARCH, 2014

(in INR lacs)

Name	Salary	Perquisites	Bonus & Performance incentives	Retirement Benefits	Commission	Sitting Fees	Total
Mr. Navin Agarwal	-	-	-	-	-	1.40	1.40
Mr. Tarun Jain	-	-	-	-	-	2.80	2.80
Ms. Priya Agarwal	-	-	-	-	-	0.60	0.60
Mr. Aman Mehta	-	-	-	-	75	2.40	77.40
Mr. Naresh Chandra	-	-	-	-	75	2.00	77.00
Dr. Omkar Goswami	-	-	-	-	75	2.00	77.00
Mr. Edward T. Story	-	-	-	-	75	1.60	76.60
Mr. P Elango	199.89	33.56	251.52	26.33	-	-	511.30

reporting process and the disclosure of its financial information to ensure correct, sufficient and credible financial information.

- Recommending to the Board the appointment, re-appointment or replacement of statutory auditors and approving their audit fees.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with management, the annual financial information before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Directors' Responsibility Statement in the Board's Report pursuant to subsection (2AA) of Section 217 of the Companies Act, 1956.
 - b. changes, if any, in accounting policies and practices and reasons for such changes.
 - c. major accounting entries involving estimates based on the exercise of judgement by the Company's management.
 - d. any significant adjustments made in

the financial information arising out of audit findings.

- e. compliance with listing and other legal or regulatory requirements relating to financial information.
 - f. disclosure of any related party transactions.
 - g. any qualifications in the draft Audit Report.
- Reviewing, with the management, the quarterly financial information before submission to the Board for approval.
 - Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 - Reviewing, with management, the performance of statutory and internal auditors, and the adequacy

of the internal control systems of the Company.

- Approving the appointment, removal and terms of remuneration of the chief internal auditor.
- Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussing with internal auditors any significant findings and following up on any such significant findings.
- Reviewing the findings of any internal investigation by internal auditors into matters relating to irregularities, fraud, or a failure in internal control systems of a material nature, and reporting such matters to the Board.
- Having pre-audit discussions with the statutory auditors as to the nature and scope of the audit, and post-audit discussions to ascertain any areas of concern.
- Looking into the reasons for any substantial defaults in payments to

debenture holders, shareholders (in case of the non-payment of declared dividends) and creditors.

- Reviewing the Company's financial and risk management policies.
- Reviewing the functioning of the Whistle Blower mechanism of the Company.
- Approving the appointment of CFO (i.e. the Wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background of the candidate.
- Monitoring the utilisation of funds to be raised pursuant to a public issue.
- Reviewing and monitoring auditors' independence and performance and effectiveness of audit process.
- Approval of all transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.
- Oversee the vigil mechanism of the Company.
- Evaluation of internal financial controls and risk management systems.
- Carrying out any other function as the Board may from time to time refer to the Audit Committee.

The Audit Committee also reviews the following information:

- a. Management discussion and analysis of financial condition and results of operations.
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- c. Management letters/ letters of internal control weaknesses issued by the statutory auditors.
- d. Internal audit reports relating to internal control weaknesses.

Stakeholders' Relationship Committee

The Board of Directors at its meeting held on 23 April, 2014 has changed the nomenclature of the Shareholders'/ Investors' Grievance Committee to Stakeholders' Relationship Committee to align it with the requirements of the Companies Act, 2013. As on 31 March, 2014, the Committee comprised three Directors: Dr. Omkar Goswami (Chairman), Mr. Edward T. Story and Mr. Tarun Jain. The Chairman of the Committee is an independent Director. Ms. Neerja Sharma, Director - Risk Assurance & Company Secretary, is the compliance officer of the Company and the Secretary of the Committee.

During the year ended 31 March, 2014, the Committee met twice viz. on 24 July, 2013 and 23 January, 2014. The attendance record of the Stakeholders' Relationship Committee is given in Table 5. Dr. Omkar Goswami, Chairman of the Committee, was present at the Company's last AGM held on 24 July, 2013. The Committee normally approves by way of circulation every fortnight, if any, matters pertaining to allotment/ rematerialisation of shares etc.

The Company has appointed Link Intime India Private Limited as the registrar and transfer agent to handle investor grievances in coordination with the compliance officer. All grievances can be addressed to the registrar and share transfer agent. The Company monitors the work of the registrar to ensure that the investor grievances are settled expeditiously and satisfactorily. The status of queries and complaints received during the financial year ended 31 March, 2014 by the registrar and share transfer agent is given in Table 6.

Terms of Reference

- To approve/ refuse/ reject registration of transfer/ transmission/ transposition of shares.

- To allot shares on exercise of stock options and to authorize issue of share certificates.
- To authorize:
 - a. issue of duplicate share certificates and issue of share certificates after split/ consolidation/ rematerialisation of shareholding.
 - b. printing of share certificates.
 - c. affixation of common seal on share certificates of the Company.
 - d. Directors/ Managers/ Officers/ signatories for signing/endorsing share certificates.
 - e. necessary applications/ corporate actions to stock exchanges and depositories arising out of and incidental to the exercise of options by the employees.

Nomination & Remuneration Committee

The Board at its meeting held on 23 April, 2014, changed the nomenclature of existing Remuneration Committee to Nomination & Remuneration Committee, revised its terms of reference and dissolved the existing Nomination Committee.

The Nomination & Remuneration Committee is inter-alia responsible for identifying persons who are qualified to become Directors and who may be appointed as part of senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

The Committee comprises of five non-executive Directors viz. Mr. Naresh Chandra (Chairman), Mr. Navin Agarwal,



Aishwariya well pad, Rajasthan

4. ATTENDANCE RECORD OF AUDIT COMMITTEE FOR THE YEAR ENDED 31 MARCH, 2014

Name	Position	Status	No. of meetings held during the financial year	No. of meetings attended
Mr. Aman Mehta	Independent Director	Chairman	4	4
Mr. Naresh Chandra	Independent Director	Member	4	3
Dr. Omkar Goswami	Independent Director	Member	4	3
Mr. Tarun Jain	Non- Executive Director	Member	4	4
Mr. Edward T Story	Independent Director	Member	4	3

5. ATTENDANCE RECORD OF STAKEHOLDERS' RELATIONSHIP COMMITTEE (ERSTWHILE SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE) FOR THE YEAR ENDED 31 MARCH, 2014

Name	Position	Status	No. of meetings held during the financial year	No. of meetings attended
Dr. Omkar Goswami	Independent Director	Chairman	2	1
Mr. Edward T Story	Independent Director	Member	2	2
Mr. Tarun Jain	Non- Executive Director	Member	2	2

Mr. Tarun Jain, Mr. Aman Mehta and Dr. Omkar Goswami. Three of these members are independent Directors. During the year ended 31 March, 2014, the Nomination & Remuneration Committee (erstwhile Remuneration Committee) met three times viz. on 22 April, 2013, 23 July, 2013 and 22 October, 2013. The attendance record of the Nomination & Remuneration Committee is given in Table 7. Mr. Naresh

Chandra, Chairman of the Committee, was present at the Company's last AGM held on 24 July, 2013.

Terms of Reference

- Reviewing the structure, size and composition of the Board, and making recommendations to the Board with regard to changes, if any.
- Evaluating the balance of skills, knowledge and experience of the Board and in light of this evaluation, preparing a description of the roles and capabilities required for particular appointments.
- Reviewing time required from each non-executive Director, and assessing whether he or she has given sufficient commitment to the role.

- Considering succession planning taking into account the challenges and opportunities faced by the Company, and what skills and expertise are needed from members of the Board in the future.
- Ensuring that on appointment to the Board, the non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management and recommending to the Board their appointment and removal.
- Formulating the criteria for determining qualifications, positive attributes and independence of a Director.
- Carrying out evaluation of the performance of the Board, individual Directors and of the various Board committees.
- Devising a policy on Board diversity.
- Recommending to the Board a

policy, relating to the remuneration for the Directors, key managerial personnel and other employees. While formulating the policy, the committee must ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully.
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- the remuneration of directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- a significant proportion of executive Directors' remuneration is structured so as to link rewards to corporate

and individual performance.

- taking into account factors it deems relevant and gives due regard to the interests of shareholders and to the financial and commercial health of the Company.
- Overseeing the Company's share option schemes and long term incentive plans, which include determination of the eligibility for benefits and approval of total annual payments.

Corporate Social Responsibility (CSR) Committee

During the financial year under review, the Board constituted a CSR Committee comprising of 3 Directors with Chairman being an Independent non-executive Director. The Committee comprises Mr. Naresh Chandra (Chairman), Mr. Tarun Jain and Mr. P. Elango.

During the year, the Committee met once on 23 January, 2014. All the members of

6. QUERIES AND COMPLAINTS RECEIVED AND ATTENDED DURING THE FINANCIAL YEAR ENDED 31 MARCH, 2014

Nature of Query/Complaint	No. of Queries/Complaints		
	Received	Attended	Pending
Non-Receipt of refund orders / dividend revalidation	930	930	Nil
Referred by SEBI	14	15*	Nil
Referred by stock exchanges	1	1	Nil
Received from investors	317	317	Nil
Referred by RBI/Ministry of Company Affairs	-	-	Nil
Non receipt of demat credit	2	2	Nil
Non-receipt of the annual report	73	73	Nil
Total	1337	1338*	Nil

*Includes one complaint received on 31 March, 2013, which was resolved by the Company on 1 April, 2013 and closed by SEBI on 4 April, 2013

7. ATTENDANCE RECORD OF NOMINATION & REMUNERATION COMMITTEE (ERSTWHILE REMUNERATION COMMITTEE) FOR THE YEAR ENDED 31 MARCH, 2014

Name	Position	Status	No. of meetings held during the financial year	No. of meetings attended
Mr. Naresh Chandra	Independent Director	Chairman	3	2
Dr. Omkar Goswami	Independent Director	Member	3	2
Mr. Aman Mehta	Independent Director	Member	3	3
Mr. Tarun Jain	Non-Executive Director	Member	3	3
Mr. Navin Agarwal	Non-Executive Director	Member	3	3

the Committee attended the said meeting. In its meeting held on 23 April, 2014, the committee recommended the CSR policy which has also been approved by the Board of Directors of the Company.

Terms of Reference

- Review, agree and establish the Company's CSR policy and to ensure that Company's social, environmental and economic activities are aligned with each other.
- Develop and recommend for acceptance by the Board, policies on all aspects of CSR including environmental sustainability, eradication of hunger and poverty, upliftment of society, promotion of education, reducing child mortality and improving maternal health, employment, enhancing vocational skills etc. and other CSR related matters as may be determined by the CSR Committee from time to time.
- Monitor compliance with the CSR policy and to review performance against agreed targets.
- Review the integration of CSR processes with business risk management policy of the Company.
- Establish link between the Company's financial performance and its social and environmental performance.
- Recommend to the Board the amount of expenditure to be spent on CSR activities.
- Consider such other matters and issues in relation to CSR as may be stipulated by the Board from time to time.

Buy back Committee

The Board of Directors on 26 November, 2013 while approving the Buy back of its equity shares by the Company, constituted the Buy back Committee consisting of three Directors of which two are independent. The Committee comprises Mr. Naresh Chandra (Chairman), Dr. Omkar Goswami and Mr. P. Elango.

The role of the Buy back Committee

is to do all operational acts, deeds and things in order to implement and oversee the Buy back process/ activity. Amongst others, the Committee is also responsible for appointment of agencies, finalization and execution of important documents, certificates, information etc., and representing the Company before the statutory and regulatory bodies.

During the financial year ended 31 March, 2014, the Committee approved certain matters by circulation.

MANAGEMENT

MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis report on the operations of the Company as required under the listing agreement with stock exchanges has been given separately and forms part of this report.

DISCLOSURES

The Company follows the accounting standards and guidelines laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements. Further, the Company has also followed the Cost Accounting Records (Petroleum Industry) Rules, 2011. No material financial and commercial transactions were reported by the management to the Board, in which the management had any personal interest that either had or could have had a conflict with the interest of the Company at large. There were no transactions with the Directors or management, their associates or their relatives etc. that either had or could have had a conflict with the interest of the Company at large.

There were no penalties or strictures imposed on the Company by the stock exchanges, the SEBI or any statutory authority on any matter related to capital markets, during the last three years.

CODE FOR PREVENTION OF INSIDER TRADING

In compliance with the SEBI regulations and Companies Act, 2013 on prevention of insider trading, the Company has instituted a code of Insider Trading for its Directors and employees in designated role/function. The code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with shares of Company and cautioning them of the consequences of violations. The code clearly specifies, among other matters, that the Directors and designated employees of the Company can trade in the shares of the Company only during the period when 'Trading Window' is open. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. An annual disclosure is also taken from all the Directors and designated employees of the Company confirming their annual holding at the year end.

RELATED PARTY TRANSACTIONS

All the related party transactions are strictly done on arm's length basis. The Company presents a statement of all related party transactions before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transaction. Transactions with related parties are conducted in a transparent manner with the interest of the Company as utmost priority. Details of such transactions are given in the accompanying financial statements.

CORPORATE GOVERNANCE VOLUNTARY GUIDELINES 2009

The Central Government promulgated in December, 2009, a set of Voluntary Guidelines on Corporate Governance "Corporate Governance Voluntary Guidelines 2009" ("Voluntary Guidelines") for all companies to serve as benchmark



Offshore Platform, Rawa

To simplify and consolidate
multilayered structure,
12 subsidiary companies
were deregistered

8. SUBSIDIARY COMPANIES DEREGISTERED DURING THE FINANCIAL YEAR ENDED 31 MARCH, 2014

S. No.	Name of the Company	Country of incorporation	Effective date of dissolution/ deregistration
1.	Cairn Petroleum India Limited	Scotland	21 March, 2014
2.	Cairn Exploration (No.4) Limited	Scotland	21 March, 2014
3.	Cairn Energy Cambay Holding B.V	Netherlands	26 March, 2014
4.	Cairn Energy Gujarat Holding B.V	Netherlands	26 March, 2014
5.	Cairn Energy India West Holding B.V	Netherlands	26 March, 2014
6.	Cairn Energy India Holdings B.V	Netherlands	26 March, 2014
7.	Cairn Energy Group Holdings B.V	Netherlands	26 March, 2014
8.	Sydney Oil Company Pty Limited	Australia	24 February, 2014
9.	Cairn Energy Investments Australia Pty Limited	Australia	24 February, 2014
10.	Wessington Investments Pty Limited	Australia	24 February, 2014
11.	Cairn Energy Asia Pty Limited	Australia	31 March, 2014
12.	CEH Australia Pty Limited	Australia	31 March, 2014

for the corporate sector and help them to achieve the highest standards of corporate governance. The Company has implemented and is following various provisions of the Voluntary Guidelines.

CEO / CFO CERTIFICATION

The CEO's and CFO's certification of the financial statements and a declaration that all Board members and senior management have affirmed compliance with the Company's Code of Business Ethics for the year ended 31 March, 2014 is enclosed with this report.

SUBSIDIARY COMPANIES

All subsidiaries of the Company are unlisted wholly owned foreign companies. These subsidiaries have their own Board of Directors having the rights and obligations to manage such companies in best interest of the Company. The Company has its representatives on the boards of the subsidiary companies and

regularly monitors the performance of such companies. During the financial year under review, in order to simplify and consolidate the multi layered structure comprising subsidiaries in various foreign jurisdictions, 12 subsidiary companies were deregistered. Details of such companies are provided in Table 8.

Further, in terms of the provisions of Clause 49 of the listing agreement with stock exchanges, minutes of Board meetings of subsidiary companies along with summary of key decisions are regularly placed before the Board.

SHAREHOLDERS

DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS

Brief profile of the persons sought to be appointed/ re-appointed as Directors at the ensuing AGM of the Company are given below:

Mr. Naresh Chandra, Non-Executive and Independent Director

Mr. Naresh Chandra, 79, graduated with a Masters' degree in Mathematics from Allahabad University. A former civil servant, he joined the Indian Administrative Services in 1956 and has served as Chief Secretary of Government of Rajasthan, Commonwealth Secretariat Advisor on Export Industrialisation and Policy in Colombo (Sri Lanka), advisor to the Government of Jammu and Kashmir, and successively Secretary to the Ministries of Water Resources, Defence, Home and Justice in the Government of India.

In December 1990, he became Cabinet Secretary, the highest post in the Indian Civil Services. In 1992, he was appointed as the Senior Advisor to the Prime Minister of India. He has served as the Governor of the state of Gujarat during 1995-96 and Ambassador of India to the United States of America during 1996-2001. He has also chaired the Committee on Corporate Audit

and Governance, the Committee on Private Companies and Limited Liability Partnerships and the Committee on Civil Aviation Policy, for the Government of India. He has been honoured with the Padma Vibhushan, a high civilian award, by the President of India in 2007.

Mr. Edward T Story, Non-Executive and Independent Director

Mr. Edward T Story, 70, holds a Bachelor of Science degree from Trinity University, San Antonio, Texas, a Masters degree in Business Administration from the University of Texas and an honorary Doctorate degree by the Institute of Finance and Economics of Mongolia.

He is a member of the North America Mongolia Business Council. Mr. Story has 48 years' experience in the international oil and gas industry and is the founder, President and Chief Executive Officer of the London Stock Exchange listed SOCO International Plc.

Dr. Omkar Goswami, Non-Executive and Independent Director

Dr. Omkar Goswami, 57, holds a Master of Economics Degree from the Delhi School of Economics. He is a D.Phil in Economics from Oxford University. He has taught in several academic institutions in India and abroad; edited one of India's best known business magazines; was the Chief Economist of the Confederation of Indian Industry; and is the Executive Chairman of CERG Advisory Private Limited, a consulting and advisory firm.

Dr. Goswami serves as an independent director on the boards of a number of companies and is an author of various books and research papers on economic history, industrial economics, public sector, bankruptcy laws and procedures, economic policy, corporate finance, corporate governance, public finance, tax enforcement and legal reforms.

Mr. Aman Mehta, Non-Executive and Independent Director

Mr. Aman Mehta, 67, is an economics graduate from Delhi University. He has over 37 years' experience in various positions with the HSBC Group from where he retired in January 2004 as CEO Asia Pacific. Mr. Mehta occupies himself primarily with corporate governance, with Board and advisory roles in a range of companies and institutions in India as well as overseas. Formerly, he has been a Supervisory Board member of ING Group NV and a Director of Raffles Holdings, Singapore. He is also a member of the governing board of the Indian School of Business, Hyderabad and a member of the International Advisory Board of Prudential of America.

Mr. Tarun Jain, Non-Executive Director

Mr. Tarun Jain, 54, is a graduate from the Institute of Cost and Works Accountants of India and a fellow member of both the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He is a Wholtime Director of Sesa Sterlite Limited. Mr. Jain has over 35 years' experience in corporate finance, accounts, audit, taxation, secretarial and legal matters. He is responsible for Sterlite's strategic financial matters, including corporate finance, corporate strategy, business development and M&As.

Ms. Priya Agarwal, Non-Executive Director

Ms. Priya Agarwal, 24, has done B.Sc. Psychology with Business Management from the University of Warwick in the UK. She had experience in public relations with Ogilvy & Mather and in human resources with KornFerry International, Vedanta Resources and HDFC Bank and in strategic planning with Rediffusion Y&R.

The directorships and committee positions of these Directors as on 31 March, 2014 are given in Table 9.

MEANS OF COMMUNICATION

Financial/ Quarterly Results

The Company intimates un-audited/ audited financial results to the stock exchanges, immediately after the Board meetings at which they are approved. The results of the Company are also published in at least one prominent national and one regional newspaper having wide circulation.

The financial results are also displayed on the Company's website viz. www.cairnindia.com and posted on the Corporate Filing and Dissemination System (CFDS) at www.corpfiling.co.in, NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (the Listing Centre).

Further, as a good corporate governance practice, the Company sends its quarterly financial results to shareholders whose email ids are registered with the depository participants through email after they are approved by the Board and disseminated to the stock exchanges.

Chairman Communique

Printed copy of the Chairman's speech is distributed to all shareholders at the annual general meeting. The same is also placed on the website of the Company.

Corporate Filing and Dissemination System (CFDS)

The CFDS portal jointly owned, managed and maintained by BSE and NSE is a single source to file information by the listed companies. All disclosures and communications disseminated and physically filed with BSE & NSE, are also electronically filed through the CFDS portal.



 As a good Corporate Governance Practice, the company sends quarterly financial results to shareholders through e-mail

9. DIRECTORSHIPS AND COMMITTEE POSITIONS OF DIRECTORS AS ON 31 MARCH, 2014

Name of Director	Mr. Naresh Chandra	Mr. Aman Mehta	Dr. Omkar Goswami	Mr. Edward T Story	Mr Tarun Jain	Ms. Priya Agarwal
Directorship held in other companies	<ul style="list-style-type: none"> • Electrosteel Castings Ltd. • Bajaj Auto Ltd. • Bajaj Finserv Ltd. • Bajaj Holdings & Investments Ltd. • Balrampur Chini Mills Ltd. • Gammon Infrastructure Project Ltd. • EROS International Media Ltd. • AVTEC Limited • Sesa Sterlite Limited • G4S Corporate Services (India) Pvt. Ltd. • Emergent Ventures India Pvt. Ltd. • EROS International Plc 	<ul style="list-style-type: none"> • Tata Consultancy Services Limited • Wockhardt Limited • Jet Airways Limited • Godrej Consumer Products Ltd. • Max India Limited • Vedanta Resources Plc • PCCW Limited 	<ul style="list-style-type: none"> • Dr. Reddy's Laboratories Ltd. • Infosys Ltd. • IDFC Ltd. • Crompton Greaves Ltd. • Ambuja Cements Ltd. • Godrej Consumer Products Ltd. • Bajaj Finance Ltd. • Max Healthcare Institute Ltd. • Infosys BPO Ltd. • CERG Advisory Pvt Ltd. • DSP Black Rock Investment Mangers Pvt. Ltd. 	<ul style="list-style-type: none"> • SOCO International Plc • Baanthon Properties • TMB- Mongolian Health Clinic 	<ul style="list-style-type: none"> • Bharat Aluminium Company Ltd. • Sterlite (USA) Inc. • Sterlite Infra Ltd. • Vedanta Medical Research Foundation (under section 25 of the Companies Act, 1956) • Rajtaru Charity Foundation (Under Section 25 of the Companies Act, 1956) 	None
Committee* position in Cairn India Ltd.	<ul style="list-style-type: none"> • Audit Committee - Member 	<ul style="list-style-type: none"> • Audit Committee - Chairman 	<ul style="list-style-type: none"> • Audit Committee -Member • Stakeholders' Relationship Committee- Chairman 	<ul style="list-style-type: none"> • Audit Committee - Member • Stakeholders' Relationship Committee- Member 	<ul style="list-style-type: none"> • Audit Committee - Member • Stakeholders' Relationship Committee- Member 	None
Membership/Chairmanship of Committees* of other Indian public companies :						
Audit Committee	<ul style="list-style-type: none"> • Bajaj Auto Ltd.- Member • Bajaj Holdings & Investments Ltd.- Member • Bajaj Finserv Ltd.- Member • Electrosteel Castings Ltd.- Member • Gammon Infrastructure Project Ltd.- Member • EROS International Media Ltd.- Member • Sesa Sterlite Ltd. - Member 	<ul style="list-style-type: none"> • Jet Airways Limited- Chairman • Godrej Consumer Products Ltd.- Member • Wockhardt Ltd.- Member • Tata Consultancy Services Ltd.- Chairman 	<ul style="list-style-type: none"> • Dr. Reddy's Laboratories Ltd.- Member • IDFC Ltd.- Member • Crompton Greaves Ltd.- Chairman • Ambuja Cements Ltd.- Member • Godrej Consumer Products Ltd.- Member • Bajaj Finance Ltd.- Member • Infosys BPO Ltd.- Member 	None	<ul style="list-style-type: none"> • Bharat Aluminium Company Ltd.- Member 	None
Shareholders'/ Investors' Grievance Committee	<ul style="list-style-type: none"> • Sesa Sterlite Ltd.- Member • Bajaj Auto Ltd.- Member 	<ul style="list-style-type: none"> • Wockhardt Ltd.- Member 	<ul style="list-style-type: none"> • Infosys Ltd.- Chairman 	None	None	None

*Only Audit and Shareholders'/Investors' Grievance Committees included.

NSE Electronic Application Processing System (NEAPS)

The NEAPS is a web based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, press releases, announcements, corporate actions etc. are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the "Listing Centre")

The Listing Centre of BSE is a web based application designed by BSE for corporates. All periodical compliances filings like shareholding pattern, corporate governance report, press releases etc. are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web based complaints redress system. The system enables centralized database of all complaints, online uploading of action taken reports (ATRs) by the concerned companies and online viewing by investors of actions taken on their complaint and current status.

Designated & Exclusive email-ids

The Company has designated the following email ids exclusively for investor servicing:

- a. Queries on Buy back-
buyback@cairnindia.com
- b. Queries by retail investors-
investor.complaints@cairnindia.com
rnt.helpdesk@linkintime.co.in
- c. Queries by institutional investors-
cilir@cairnindia.com
- d. The investors can also lodge their queries on the platform on the company's website www.cairnindia.com under the "Investors" section.

News Releases, Analyst Presentation, etc.

The quarterly and annual results are generally published in the The Financial Express and Nav Shakti. Official news releases, detailed presentations made to media, institutional investors, financial analysts etc. are displayed on the Company's website viz. www.cairnindia.com

Website

The Company's website (www.cairnindia.com) contains a separate dedicated section 'Investors' where shareholders' information is available. The full annual report, shareholding pattern, press release, quarterly reports, corporate governance reports, details of unpaid/unclaimed dividend amounts and other related information is available on the website.

Further, various forms like Nomination Form, Affidavit and Indemnity format are also available on the website. In view of ongoing buy back of shares, the Company also provides the details of shares bought back on daily basis from the open market through National Stock Exchange of India Limited and BSE Limited.

GENERAL BODY MEETINGS

Since its incorporation, the Company has had seven annual general meetings and four extraordinary general meetings. The forthcoming AGM is scheduled to take place on 23 July, 2014. The details in respect of last three AGMs and special resolutions passed thereat are given in Table 10.

Resolutions passed through postal ballot in last three years

The details of special and ordinary resolutions passed through postal ballot in last three years are given in Table 11.

The notice containing the resolutions along with the postal ballot form and a postage pre-paid envelope was sent to the registered addresses of all the shareholders of the Company, containing the address of the Scrutinizer appointed by the Board for carrying out the ballot process. The e-voting facility was also provided by the Company to the shareholders whose email ids were registered with the depositories. The details of the voting pattern for the resolutions passed in financial year 2013-14 are provided in Table 11.1 and 11.2.

Whether any Special Resolution is proposed to be passed through Postal ballot

None of the business proposed to be transacted in the ensuing annual general meeting require passing of special resolution through postal ballot.

Procedure of Postal Ballot

The notice containing the proposed resolutions and explanatory statement thereto is sent to the registered addresses of all the shareholders of the Company along with a postal ballot form and a postage pre-paid envelope containing the address of the scrutinizer appointed by the Board for carrying out the ballot process. The e-voting facility is provided by the Company to all shareholders which enable them to cast their vote electronically. The Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for providing the e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the postal ballots of the Company.

The step-wise process and manner for e-voting is provided in the postal ballot form and also the email which is sent to shareholders along with the postal ballot notice. The scrutinizer submits his reports

10. LOCATION AND TIME OF ANNUAL GENERAL MEETINGS

Financial Year	Venue	Date	Time	Special Resolution passed at the AGM
2010-11	Rangsharda Auditorium, K.C. Marg, Bandra Reclamation, Bandra (West), Mumbai	18 August, 2011	11.00 a.m.	Payment of Commission to Non- Executive Directors.
2011-12	Rangsharda Auditorium, K.C. Marg, Bandra Reclamation, Bandra (West), Mumbai	22 August, 2012	11.00 a.m.	<ul style="list-style-type: none"> Appointment of Mr. Rahul Dhir as Managing Director and Chief Executive Officer. Issuance of stock options to the employees and Directors of the subsidiary Companies of Cairn India Limited. Amendments/substitutions to the Articles of Association of the Company.
2012-13	Rangsharda Auditorium, K.C. Marg, Bandra Reclamation, Bandra (West), Mumbai	24 July, 2013	10.30 a.m.	None

11. RESOLUTIONS PASSED THROUGH POSTAL BALLOT IN LAST THREE YEARS

S.No.	Subject Matter	Record Date of Register of Members for Dispatch of Notice	Last Date and time for receipt of Postal Ballot Forms	Date of passing Resolution/Type of Resolution	Scrutinizer
1	To consider the conditions imposed by the Government of India vide letter dated 26 July, 2011 for the proposed sale of shares of the Company by Cairn UK Holdings Limited along with its holding company, Cairn Energy Plc to Vedanta Resources Plc and its subsidiaries.	26 July, 2011	5.30 p.m. on 10 September, 2011	14 September, 2011/ Ordinary	Mr. Nesar Ahmed Practicing Company Secretary
2	Amendments in Cairn India Performance Option Plan (CIPOP) in terms of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999	22 April, 2013	5.30 p.m. on 7 June, 2013	12 June, 2013/ Special	Mr. Nesar Ahmed Practicing Company Secretary
3	Purchase by the Company of its fully paid-up equity shares from the open market through the Stock Exchanges as prescribed under Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998, read with Sections 77A, 77B(2), 192A and other applicable provisions, if any, of the Companies Act, 1956 and Sections 68, 69, 70, 110 and other provisions and Rules, if any, applicable or notified from time to time under Companies Act, 2013	26 November, 2013	5.30 p.m. on 2 January, 2014	6 January, 2014/ Special	Mr. Nesar Ahmed Practicing Company Secretary

11.1. VOTING PATTERN - SPECIAL RESOLUTION DATED 12 JUNE, 2013

Promoter/Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	1,122,713,999	1,122,713,999	100.00	1,122,713,999	-	100.00	-
Public – Institutional holders	495,821,089	229,595,645	46.31	229,221,926	373,719	99.84	0.16
Public-Others	291,721,294	197,581,968	67.73	197,433,902	148,066	99.93	0.07
Total	1,910,256,382	1,549,891,612	81.14	1,549,369,827	521,785	99.97	0.03

Note: Total 4,255 postal Ballot forms/e-votes received out of which 4,200 were valid forms/e-votes while 55 were invalid forms/e-votes.

11.2. VOTING PATTERN - SPECIAL RESOLUTION DATED 6 JANUARY, 2014

Promoter/Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	1,122,713,999	-	-	-	-	-	-
Public – Institutional holders	505,058,214	82,702,858	16.37	82,702,858	-	100	-
Public-Others	282,915,752	198,007,311	69.99	197,824,802	182,509	99.91	0.09
Total	1,910,687,965	280,710,169	14.69	280,527,660	182,509	99.93	0.07

Note: Total 3,415 postal Ballot forms/e-votes received out of which 3409 were valid forms/e-votes while 6 were invalid forms/e-votes.

to the Chairman/Director or person authorized by the Board, who on the basis of the report announces the results.

COMPLIANCE WITH CLAUSE 49

Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of Clause 49.

Non-Mandatory Requirements

The Board

All independent Directors have diversified experience and requisite qualification. None of the independent Directors' tenure exceeded a period of nine years on the Board of the Company.

Remuneration Committee

The Board at its meeting held on 23 April, 2014, changed the nomenclature of existing Remuneration Committee to Nomination & Remuneration Committee, revised its terms of reference and dissolved the existing Nomination Committee, details of which have been given earlier.

Shareholder Rights

The quarterly results are published on our website, www.cairnindia.com and in widely circulated newspapers.

The Company sends quarterly results by email to those shareholders who have provided their e-mail ids.

Audit qualifications

During the current financial year, there are no audit qualifications in the financial statements. The Company continues to adopt best practices in order to ensure unqualified financial statements.

Training of Board Members

Periodic presentations and documents are made available to the Board and its Committees on business and performance updates of the Company, business environment, business model and strategy and risks involved therein.

Mechanism for evaluating Non-Executive Board Members

The Company benefits from diverse professional expertise and experience of non-executive Directors. The Directors make contributions at the Board/Committee meetings, review the operations and advise on the major issues and strategy of the Company from time to time. The Company also benefits from the advice of non-executive Directors sought by the management on critical issues from time to time. The contributions made and the time devoted by the non-executive Directors is recognised by the Company. The Company will adopt a formal mechanism for evaluating individual performance of non-executive Directors.

Whistleblower Policy

The Company has in place a Whistleblower Policy, to support the Code of Business Ethics. The policy is designed to enable employees, Directors, consultants and contractors to raise concerns at a significantly senior level and to disclose information which the individual believes, shows malpractice or wrongdoing which could affect the business or reputation of the Company. Any allegations that fall within the scope of the concerns identified are investigated and dealt with appropriately.

The Director – Risk Assurance & Company Secretary and the Chief Internal Auditor are appointed as the Ethics Counsellors and are authorised

by the Board of Directors of the Company for the purpose of receiving all complaints under the policy and in ensuring appropriate action. Individuals must raise their concern to any one of the Ethics Counsellors by sending an e-mail message at the dedicated address viz. ethicscounsellors@cairnindia.com. Individuals can also raise their concerns directly to CEO or chairman of Audit Committee.

The Ethics Counsellors periodically submit the report on complaints received, if any and the action taken therein to the Audit Committee.



Onshore terminal in Bhogat, Gujarat

CORPORATE GOVERNANCE

Additional Shareholder Information

ANNUAL GENERAL MEETING

Date: 23 July, 2014

Time: 10.30 a.m.

Venue: Rangsharda Auditorium,
K C Marg, Bandra Reclamation,
Bandra West, Mumbai - 400 050

E-voting facility would be provided in terms of Companies Act, 2013, and rules made thereunder. Members are requested to refer to the AGM notice for e-voting instructions.

Financial Calendar

For the year ended 31 March, 2014, results were announced on

- 24 July, 2013: First quarter
- 22 October, 2013: Second quarter
- 23 January, 2014 : Third quarter
- 23 April, 2014: Fourth (last) quarter and the financial year's results

For the year ending 31 March, 2015, results will be announced by

- Last week of July 2014: First quarter
- Last week of October 2014: Half yearly
- Last week of January 2015: Third quarter
- Last week of April, 2015: Fourth quarter and full financial year's results.

Interim Dividend

The Board of Directors of the Company declared an interim dividend of INR 6.00 per equity share on a face value of INR 10 per share on 22 October, 2013. The record date for the purpose of payment of interim dividend was 28 October, 2013 and the interim dividend was paid to the shareholders on 31 October, 2013.

Final Dividend

The Board of Directors of the Company has recommended a final dividend of INR 6.50 per equity share. The dividend recommended by the Directors for the year ended 31 March, 2014, if declared at the annual general meeting, will be paid by Monday, 11 August, 2014 to those members, whose names appear on the Register of Members/ Depository records as on the closing hours of business on 10 July, 2014.

Unclaimed Dividend

Companies Act mandates companies to transfer dividend that remains unclaimed for a period of seven years to the Investor Education and Protection Fund (IEPF). In accordance with the said provisions, the

dividends already declared and paid by the Company, if remaining unclaimed and unpaid for a period of seven years, will be transferred to IEPF, as per the details mentioned in Table 1.

The shareholders are requested to write to the registrar and share transfer agent/ Company to claim the unpaid dividend of previous years due to them after completing necessary formalities.

Transfer of Unclaimed IPO Refund amount to Investor Education and Protection Fund

Pursuant to Section 205C of the Companies Act, 1956, application money received by the Company for allotment of shares and due for refund, is required to be transferred to Investor Education and Protection Fund (IEPF) of the Central Government after such amount remained unclaimed and unpaid for a period of seven years from the date it became due for payment.

During the year, the Company transferred an amount of INR 16.03 lacs to IEPF being the unclaimed refund pertaining to the IPO of the Company made during 2006.

1. UNCLAIMED DIVIDEND

S.No.	Financial Year	Type of Dividend	Dividend/equity share (INR)	Date of declaration	Due date of transfer
1	2012-13	Interim	5.00	31 October, 2012	7 December, 2019
2	2012-13	Final	6.50	24 July, 2013	24 August, 2020
3	2013-14	Interim	6.00	22 October, 2013	28 November, 2020

2. STOCK EXCHANGE CODES

Name of the Stock Exchange	ISIN	Stock Code	Website
The National Stock Exchange of India Limited	INE910H01017	CAIRN	www.nseindia.com
BSE Limited	INE910H01017	532792	www.bseindia.com



Offshore operations, Cambay

Book Closure

The register of members and the share transfer books of the Company will remain closed from Friday, 11 July, 2014 to Wednesday, 23 July, 2014 (both days inclusive).

National ECS Facility

NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions. NECS mandate will help to avoid the loss of warrant in transit or non-receipt of dividend warrant. In this regard, shareholders holding shares in electronic form are requested to furnish the 10-digit bank account number allotted to them by their bank (after implementation of CBS), along with photocopy of a cheque pertaining to the concerned account, to their depository participant (DP) or send these details to the Company/registrar, if the shares are held in physical form to avail NECS facility for receiving dividend.

If your bank particulars have changed for any reason, please arrange to register the NECS with the revised bank particulars.

Listing

The equity shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The annual listing fee for the financial year 2014-15 has been paid to BSE and NSE. The Company has also paid annual custody/ issuer fee for the year 2014 -15 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The stock codes are given in Table 2.

Secretarial Audit

As a measure of good governance, the Company engaged M/s. Nesar & Associates, practicing company secretaries, to conduct secretarial audit for the financial year 2013-14. The secretarial audit report confirms that the Company has complied with all the applicable provisions of the Companies Act, 1956,

applicable provisions of Companies Act, 2013, depositories act, 1996, listing agreements with the stock exchanges and all the regulations and guidelines of the Securities and Exchange Board of India as applicable to the company.

Buy - Back of Equity Shares of the Company

The Board of Directors on 26 November, 2013 approved the buy back of equity shares of the Company from its existing shareholders, other than Company's promoters, promoter group, persons in control and persons acting in concert. The buy back is being done from the open market through the stock exchanges, at a price not exceeding INR 335 per equity share, up to an aggregate amount not exceeding INR 5,725 crores. Within the said limit of buy back, the indicative maximum number of equity shares of INR 10 each that could be bought back would be 170,895,522, resulting in the reduction of equity capital by approximately 8.9%.

The approval of shareholders for buy back was obtained through postal ballot

on 6 January, 2014 and the Public Announcement in terms of SEBI (Buy back of Securities) Regulations, 1998, as amended, was made on 14 January, 2014 followed by a corrigendum to Public Announcement on 21 January, 2014. The buy back activity has commenced from 23 January, 2014.

The buy back is being made out of the free reserves and/or the securities premium account of the Company, from the open market through National Stock Exchange of India limited and BSE limited, as per the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.

The details of the shares bought back and extinguished are provided in Directors' Report.

Shareholders' Satisfaction Survey

The Company has sent feedback forms seeking shareholders' views on various matters relating to investor services and information sharing. The feedback received from the shareholders was placed before the Stakeholders' Relationship Committee (erstwhile Shareholders'/Investors' Grievance Committee). The Company welcome

the suggestions of shareholders and will endeavour to implement wherever required and feasible.

Reconciliation of Share Capital Audit

Pursuant to Clause 47 (c) of the listing agreement with the stock exchanges, certificate on half yearly basis, was issued by M/s. S. Rajwanshi & Co., a Company Secretary in Practice confirming due compliance of share transfer formalities by the Company. Audits were also carried out by M/s. S. Rajwanshi & Co., to reconcile the total admitted capital with NSDL and CDSL and reports of which were submitted with stock exchanges. The audit confirms that the total issued / paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

Market Price Data

Table 3 and Chart A give the details.

Distribution of Shareholding

Tables 4 and 5 list the distribution of the shareholding and shareholding pattern of the Company by size and by ownership

class as on 31 March, 2014. Further details of top twenty shareholders are given in Table 6.

Dematerialisation of Shares

Cairn India's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories of India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31 March, 2014, over 99.99% shares of the Company were held in dematerialised form. The shares of the Company are permitted to be traded only in dematerialised form under ISIN INE910H01017.

Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion dates and likely impact on Equity

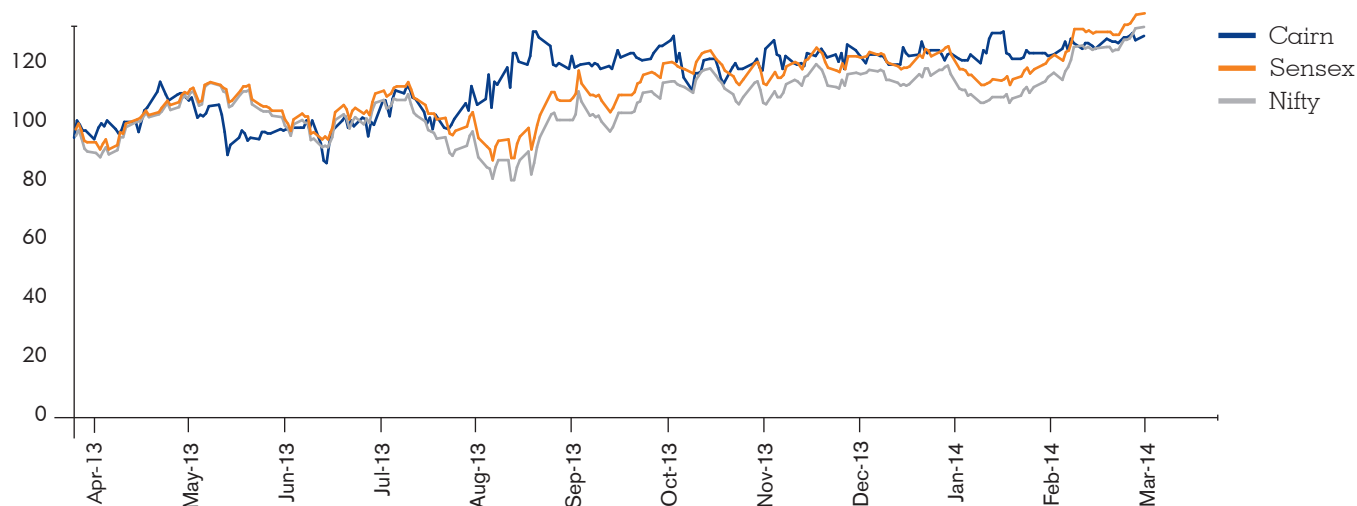
There are no outstanding GDRs / ADRs / warrants or any convertible instruments issued by the Company. However, the Company has outstanding employee stock options, the details of which as on 31 March, 2014 are given in Table 7.

Share Suspense Account

As per Clause 5A of the listing agreement,

3. HIGH AND LOW PRICE AND VOLUME OF COMPANY'S SHARES TRADED ON BSE AND NSE DURING THE FINANCIAL YEAR ENDED 31 MARCH, 2014

Months	BSE			NSE		
	High Price (INR)	Low Price (INR)	No. of Shares traded	High Price (INR)	Low Price (INR)	No. of Shares traded
Apr-13	312.90	273.00	6,437,201	313.30	274.20	59,441,636
May13	311.00	276.85	3,053,850	310.80	276.00	40,693,920
Jun-13	300.00	273.40	3,333,673	300.00	272.55	34,094,630
Jul-13	312.65	284.35	2,980,382	312.90	284.25	37,111,586
Aug-13	331.25	286.85	4,289,606	331.50	287.10	47,462,952
Sep-13	338.55	313.80	4,008,268	339.30	313.65	57,811,418
Oct-13	337.80	306.00	4,007,739	337.40	306.20	57,888,070
Nov-13	333.40	309.50	3,104,656	333.65	309.50	42,060,555
Dec-13	330.00	317.05	2,091,726	330.45	316.60	32,420,491
Jan-14	332.70	316.00	1,954,654	332.65	318.40	51,703,608
Feb-14	336.50	317.75	3,526,358	336.70	317.05	51,327,469
Mar-14	336.00	322.10	1,402,525	335.80	324.05	34,111,483

Chart A: Share Performance vs. Nifty & Sensex

Note: Share prices, Nifty and Sensex indexed to 100 as on the first working day of the financial year 2013-14 i.e. 1 April, 2013.

4. DISTRIBUTION OF SHAREHOLDING, AS ON 31 MARCH, 2014

Number of Shares	No. of Shareholders	% of Shareholders	Number of Shares	% of Shares
Up to 500	221,762	92.39	24,236,940	1.27
501-1000	12,554	5.23	8,146,255	0.43
1001- 2000	2,718	1.13	3,923,245	0.20
2001- 3000	820	0.34	2,098,675	0.11
3001- 4000	374	0.16	1,336,283	0.07
4001- 5000	279	0.12	1,308,477	0.07
5001-10000	467	0.19	3,379,034	0.18
10001 and above	1,047	0.44	1,863,200,962	97.67
Total	240,021	100	1,907,629,871	100

5. SHAREHOLDING PATTERN AS ON 31 MARCH, 2014

		No. of Equity Shares of face value INR 10/- each	Shares held %
A	PROMOTERS HOLDING		
1	Indian Promoters	383,840,413	20.12
2	Foreign Promoters	738,873,586	38.73
3	Persons acting in concert	-	-
B	NON-PROMOTER HOLDINGS		
a)	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/Non-Government Institutions)	172,266,152	9.04
b)	Foreign Institutional Investors	339,759,538	17.81
c)	Public	44,658,016	2.34
d)	Qualified Foreign Investors	50	0.00
e)	Mutual Funds	15,717,957	0.82
f)	NRI (Rapatriable)	1,249,698	0.07
g)	NRI (Non-Rapatriable)	429,057	0.02
h)	Bodies Corporate	23,143,109	1.21
i)	Foreign Bodies Corporate	184,125,764	9.65
j)	Clearing Member	2,773,130	0.15
k)	Directors/relatives	177,746	0.01
l)	Trusts	615,655	0.03
Grand Total		1,907,629,871	100.00

6. TOP TWENTY SHAREHOLDERS AS ON 31 MARCH, 2014

S.No.	Promoters Holding	No. of Equity Shares	Shares held %
1	Twin Star Mauritius Holdings Ltd	738,873,586	38.73
2	Sesa Sterlite Limited	351,140,413	18.41
3	Cairn UK Holdings Limited	184,125,764	9.65
4	Life Insurance Corporation of India	170,359,722	8.93
5	Sesa Resources Limited	32,700,000	1.71
6	Stichting Pensioenfondas ABP	12,570,715	0.66
7	HSBC Global Investment Funds A/C HSBC GIF Mauritius Limited	10,119,043	0.53
8	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Fund	8,370,756	0.44
9	Dimensional Emerging markets Value Fund	7,356,472	0.39
10	Abu Dhabi Investment Authority-Gulab	7,011,262	0.37
11	Robeco Capital Growth Funds	6,804,350	0.36
12	Barclays Capital Mauritius Limited	6,008,247	0.32
13	Swiss Finance Corporation (Mauritius) Limited	5,889,690	0.31
14	Morgan Stanley Asia (Singapore) Pte.	5,272,608	0.28
15	DB International (Asia) Ltd	4,860,790	0.25
16	Government of Singapore	4,540,455	0.24
17	ICICI Prudential Life Insurance Company Ltd	4,402,801	0.23
18	Mondrian Focused Emerging Markets Equity Fund LP	4,298,500	0.23
19	Blackrock Institutional Trust Company, National Association (BTC) A/C MSCI Equity Index Fund B – India	4,160,475	0.22
20	Mondrian Emerging Markets Equity Fund L.P.	4,159,377	0.22

the status of the equity shares lying in the suspense account is given in Table 8. As a part of good governance, the Company has sent reminders to the shareholders for shares lying in suspense account.

Debt Securities

As on 31 March, 2014, there are no outstanding debt securities of the Company.

Share Transfer System

Link Intime India Private Limited is the registrar and transfer agent of the Company. All share transfers and related operations are conducted by Link Intime, which is registered with the

SEBI. The Company has a Stakeholders' Relationship Committee (erstwhile Shareholders'/Investors' Grievance Committee) for redressing the complaints/queries of shareholders and investors.

Address for Investor Correspondence

Either of the following:

Link Intime India Private Limited
(Unit: Cairn India Limited)
C-13, Pannalal Silk Mills Compound
L.B.S Marg, Bhandup (West)
Mumbai 400 078, India.
e-mail: rnt.helpdesk@linkintime.co.in
Tel +91 22 25946970
Fax +91 22 25946969

Or

Director – Risk Assurance & Company Secretary

Cairn India Limited
4th Floor, Vipul Plaza, Sun City,
Sector 54, Gurgaon 122 002, India.
e-mail: investor.complaints@cairnindia.com
Tel +91 124 4593000
Fax +91 124 2889320

The web link to the email ID investor.complaints@cairnindia.com is also available on Company's website www.cairnindia.com under the 'Investors' section.



The Company has a dedicated Investor Relations department which helps foreign and domestic institutional investors in taking informed decisions

Investor Relations

The Company has a dedicated Investor Relations department which helps foreign and domestic institutional investors in taking informed decisions. This team maintains close liaison with capital market participants including brokers, investment

bankers, research analysts, portfolio managers and updates them about the Company strategy, business operations and financial performance. Information is shared through emails, periodic meetings, video and audio calls and participation in events such as investor and industry conferences.

Investors and analysts also get updated information on the 'Investors' section of the Company's website (www.cairmindia.com). It provides the latest information on investor-related events, presentations, transcripts of quarterly calls by the leadership team, financial statements, annual reports and shareholding pattern thus helping existing and potential investors. Contact details of Investor Relations department are separately given to enable institutional investors to directly reach out to the team.

7. OUTSTANDING ESOPS

ESOP Scheme	No. of Outstanding options	Last date for exercise	Exercise Price (INR)
CIESOP	108,893	31 December, 2016	160
	251,308	19 September, 2017	166.95
	875,656	28 July, 2018	227
	2,224,588	28 July, 2019	240.05
	2,038,673	26 July, 2020	331.25
	3,545,497	25 July, 2021	327.75
	3,478,463	22 July, 2022	326.85
CIPOP	610,155	25 October, 2014	10
	655,132	22 October, 2015	10
	3174026	22 October, 2016	10
Total	16,962,391		

As per respective ESOP schemes, if all the outstanding stock options granted get vested and exercised, the number of equity shares will increase by 16,962,391.

8. STATUS OF EQUITY SHARES LYING IN THE SUSPENSE ACCOUNT

S.No.	Particulars	No. of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying on 1 April, 2013	49	8,400
2	No. of shareholders who approached for transfer of shares from suspense account during the 12 months year ended 31 March, 2014	2	455
3	No. of Shareholders to whom shares were transferred from suspense account during the 12 months year ended 31 March, 2014	2	455
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying on 31 March, 2014	47	7,945

Operational Locations

The Company's oil and gas fields are located at:

Barmer (Rajasthan)
Ravva (Andhra Pradesh)
Cambay Basin (Gujarat)

Registered Office Address

Cairn India Limited
101, West View,
Veer Savarkar Marg,
Prabhadevi, Mumbai- 400 025
Tel +91 22 24338306
Fax +91 22 24311160

CORPORATE GOVERNANCE

Certificate Of The Interim Chief Executive Officer & Whole Time Director And Chief Financial Officer

The Board of Directors
Cairn India Limited
101, West View,
Veer Savarkar Marg,
Prabhadevi,
Mumbai- 400 025

Dear Sirs,

We, P. Elango, Interim Chief Executive Officer & Whole Time Director and Sudhir Mathur, Chief Financial Officer of Cairn India Limited hereby certify to the Board that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended 31 March, 2014 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by Cairn India Limited during the year which are fraudulent, illegal or violative of the Company's Code of Business Ethics.
- c. We are responsible for establishing and maintaining internal controls for financial reporting in Cairn India Limited, and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- e. We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct).

We further declare that all Board members and senior management have affirmed compliance with the Company's Code of Business Ethics for the financial year ended 31 March, 2014.

P. Elango
Interim CEO & Whole Time Director

Sudhir Mathur
Chief Financial Officer

Date: 23 April, 2014
Place: Gurgaon

CORPORATE GOVERNANCE

Auditors' Certificate

To
The Members of Cairn India Limited

We have examined the compliance of conditions of corporate governance by Cairn India Limited ('the Company'), for the year ended on March 31, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants
Firm registration number: 301003E

per Raj Agrawal

Partner
Membership No.: 82028

Place: Gurgaon
Date: April 23, 2014

CORPORATE GOVERNANCE

Secretarial Audit Report

The Board of Directors
 Cairn India Limited
 101, West View
 Veer Savarkar Marg
 Prabhadevi
 Mumbai-400025

I have examined the registers, records and documents of Cairn India Limited ("the Company") for the financial year ended on March 31, 2014 according to the provisions of:

- The Companies Act, 1956 and the Rules made under that Act and applicable provisions of Companies Act, 2013;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA'), the Rules made under that Act;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB);
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 as amended.
- The Equity Listing Agreements with BSE Limited and National Stock Exchange of India Limited .

1. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company, I report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 ("the Act") and the Rules made under the Act, applicable provisions of Companies Act, 2013 and the Memorandum and Articles of Association of the Company, with regard to:
 - a. maintenance of various statutory registers and documents and making necessary entries therein;
 - b. closure of the Register of Members;
 - c. forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
 - d. service of documents by the Company on its Members, Auditors and the Registrar of Companies;
 - e. notice of Board meetings and Committee meetings of Directors;
 - f. the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
 - g. the 7th Annual General Meeting held on July 24, 2013;
 - h. minutes of proceedings of General Meetings and of the Board and its Committee meetings;
 - i. approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
 - j. constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors;
 - k. payment of remuneration to Directors including the Whole- time Directors;
 - l. appointment and remuneration of Auditors;
 - m. Transfers of the Company's shares. However, there was no request for transmission of the Company's shares and issue and dispatch of duplicate certificates of shares;
 - n. payment of interest on debentures and redemption of debentures;
 - o. borrowings and registration, modification and satisfaction of charges wherever applicable;
 - p. investment of the Company's funds including inter corporate loans and investments and loans to others;

- q. giving guarantees in connection with loans taken by subsidiaries and associate companies;
 - r. form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
 - s. Directors' report;
 - t. contracts, common seal, registered office and publication of name of the Company; and
 - u. Generally, all other applicable provisions of the Act and the Rules made under the Act.
2. I further report that:
- a. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings / debenture holdings and directorships in other companies and interests in other entities;
 - b. the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Ethics for Directors and Management Personnel;
 - c. the Company has obtained all necessary approvals under the various provisions of the Act; and
 - d. there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
3. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed thereunder by the Depositories with regard to dematerialisation/ rematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company.
4. I further report that:
- a. the Company has complied with the requirements under the Equity Listing Agreements entered into with the BSE Limited and the National Stock Exchange of India Limited ;
 - b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
 - d. the Company has complied with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with regard to implementation of Employee Stock Option Scheme, grant of Options and other aspects;
 - e. the Company has complied with the provisions of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended.

For Nesar & Associates
Company Secretaries
Mohd Nazim Khan
Practicing Company Secretary
FCS: 6529 (CP: 8245)

Date: 16.04.2014
Place: New Delhi