

CORPORATE GOVERNANCE

Directors' Report

The Members,

Your Directors have pleasure in presenting the eighth annual report on the business and operations of the Company and the audited financial accounts for the year ended 31 March, 2014.

COMPANY'S PERFORMANCE

During the year under review, Cairn India delivered highest revenue of INR 1,876,170 lacs. This was driven by robust production growth of 6% year on year, with gross operated average production at 218,651 barrels of oil equivalent for the fiscal. During the year, the Rajasthan block achieved a landmark oil production of 200 million

barrels and a 200,000 boepd production milestone in March 2014 by combining a world class asset with proven technical expertise and disciplined approach to execution. The production increase has helped to reduce the India's crude oil import dependence and strengthen the energy security of the country. Currently, Cairn contributes about 30% to India's domestic crude oil production as per MoPNG's March 2014 statistics. The

Company continues to be one of the low cost producers in the world resulting in EBITDA margin of 74% and strong cash flow from operations of INR 1,109,276 lacs for the year.


Since resumption of exploration in 2013, Cairn India has established over 1 billion boe in-place resources by delivering a rapid exploration and appraisal drilling program. The Company continues to focus

FINANCIAL HIGHLIGHTS

In INR lacs

	Standalone		Consolidated	
	For the financial year ended		For the financial year ended	
	31 March, 2014	31 March, 2013	31 March, 2014	31 March, 2013
Total income	1,182,917	1,010,065	2,026,441	1,856,039
Total Expenditure	405,372	335,555	741,482	640,557
Profit before tax	777,545	674,510	1,284,959	1,215,482
Taxes	32,112	26,445	41,780	23,508
Profit/(loss) after tax	745,433	648,065	1,243,179	1,191,974
Impact of scheme	-	826,612	-	13,665
Profit/ (loss) for the year	745,433	1,474,677	1,243,179	1,205,639

The consolidated statements provide the results of Cairn India Limited together with those of its subsidiaries for the financial year ended 31 March, 2014.



Cairn India has established over 1 billion boe in-place resources by delivering a rapid exploration and appraisal drilling program

on exploration in prolific Rajasthan block, execute multiple projects including one of the world's largest polymer flood EOR programme at Mangala for future growth.

DIVIDEND

Your Directors are pleased to recommend a final dividend of INR 6.50 per equity share of face value of INR 10 each for the year ended 31 March, 2014, subject to approval of shareholders at the ensuing annual general meeting of the Company.

INTERIM DIVIDEND

In addition to the proposed final dividend of INR 6.50 per equity share, your Company had already distributed an interim dividend of INR 6 per equity share of face value of INR 10 each, to shareholders, who were on the register of members of the Company as at closing hours of 28 October, 2013, being the record date fixed by the Board of Directors for this purpose. Interim dividend was paid on 31 October, 2013.

TRANSFER TO RESERVES

Your Company proposes to transfer INR 74,543 lacs to the general reserve. An amount of INR 1,286,048 lacs is proposed to be retained in the statement of profit and loss.

Further, pursuant to buy back of equity shares, your Company has transferred INR 327 lacs to capital redemption reserve account, which is equal to nominal amount of equity shares so bought back and extinguished till 31 March, 2014.

MEETINGS OF BOARD OF DIRECTORS

Annual calendar of meetings of the Board/ Committees is usually finalized well before the beginning of the year after seeking concurrence of all Directors. The meetings are scheduled only if most of the directors agree for the same. In case any of the directors have a subsequent change of plan and are not available for the meeting, effort is made to re-schedule the meeting provided the other Directors are available and willing to re-schedule. Where circumstances preclude the chairman from attending the meeting, he entrusts an independent Director or a non-executive Director to chair the meeting. Wherever possible, Directors who are not able to attend the meetings, join the proceedings through video conference or audio conference. Further, in order to facilitate the smooth functioning of the company, the board, if necessary, also approves resolutions by circulation between two 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.

DECLARATION OF INDEPENDENCE BY DIRECTORS

The independent non-executive Directors of the Company, viz. Mr. Naresh Chandra, Dr. Omkar Goswami, Mr. Aman Mehta and Mr. Edward T. Story have affirmed that they continue to meet all the requirements specified under Clause 49(I)(A)(iii) of the listing agreement in respect of their position as an "Independent Director" of Cairn India Limited.

DIRECTORS

During the period under review, there were no changes to the composition of the Board.

According to the Section 149 of the Companies Act, 2013 ("new Act"), an independent Director can hold office for a term upto five consecutive years on the Board of the Company and would not be liable to retirement by rotation. Further, 2/3rd of the total number of Directors (other than Independent Directors) shall be liable to retirement by rotation pursuant to Section 152 of the new Act.

Accordingly, in light of the aforesaid provisions and the articles of association of the Company, provided below is the positions w.r.t appointment and reappointment of Directors at the ensuing annual general meeting of the Company:

- Ms. Priya Agarwal retires by rotation at the ensuing annual general meeting and is eligible for re-appointment.
- Mr. Naresh Chandra, Dr. Omkar Goswami, Mr. Aman Mehta and Mr. Edward T. Story are proposed to be appointed for a period upto 31 March, 2017 and their term of appointment will not be liable to retirement by rotation.
- Presently, the term of Mr. Tarun Jain is not liable to retirement by rotation. It is proposed to appoint Mr. Tarun Jain as a Director whose term of office will be liable to retirement by rotation.

A brief profile of the above-named Directors seeking appointment and re-appointment at the ensuing annual general meeting has been provided in the corporate governance report.

The Company has received the notices in writing from members proposing the candidature of the above mentioned persons for the office of Directors.

BUY BACK OF EQUITY SHARES OF THE COMPANY

Your 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 National Stock Exchange of India Limited and BSE Limited, 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 the corrigendum to Public Announcement on 21 January, 2014. The buy back activity 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, 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, shares extinguished, amount

spent on buy back till 31 March, 2014 are provided below in Table 1.

Subsequent to 31 March, 2014 and till the date of this report, no shares have been bought back by the company through buy back. Daily buy back report is also placed on the website of the company at www.cairnindia.com.

CHANGES IN CAPITAL STRUCTURE

During the financial year under review, 662,266 equity shares of INR 10/- each were allotted on exercise of employee stock options by the employees of the Company and its subsidiaries. Further, pursuant to buy back, your company has bought back and extinguished 3,270,549 equity shares of INR 10/- each till 31 March, 2014. Accordingly, the issued and paid up capital of the Company has been reduced to INR 19,076,298,710 divided into 1,907,629,871 equity shares of INR 10/- each.

Subsequent to the close of the financial year, the Company bought back nil equity shares. Accordingly, the issued and paid up capital of the Company as on the date of this report remain same as was on 31 March, 2014 i.e. INR 19,076,298,710 divided into 1,907,629,871 equity shares of INR 10/- each.

EMPLOYEE STOCK OPTION SCHEMES

Your Company has established share incentive schemes viz., Cairn India Performance Option Plan (CIPOP) and Cairn India Employee Stock Option Plan (CIESOP) pursuant to which options to acquire shares could be granted to selected employees and executive Directors of the Company and its subsidiaries. During the year, with the

approval of shareholders taken through postal ballot, the CIPOP scheme was amended to align with best practices in the global oil & gas industry and other industry best practices. The Company also used to have Cairn India Senior Management Plan (CISMP) as a share incentive scheme, however, the number of stock options that can be granted under CISMP has been exhausted and the same is no longer in force. The Company also has cash awards option plan (phantom stock options) for expatriate employees of the Company and its subsidiaries.

During the financial year, stock options have been granted to the employees of the Company and its subsidiaries under CIPOP scheme. On exercise of the options so granted, the paid-up equity share capital of the Company will increase in terms of the Stock Option Plans mentioned above. The details of stock options granted by the Company are set out in Annexure I to this Report in compliance with Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

During the year under review, 662,266 equity shares of INR 10 each were allotted pursuant to the exercise of stock options.

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

1. SHARES BOUGHT BACK TILL 31 MARCH, 2014

No. of shares bought back	No. of shares extinguished	Amount spent on buy back in INR lacs (excluding transaction cost)
3,270,549	3,270,549	10,553



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.

LOANS AND INVESTMENTS BY THE COMPANY

Details of loans and investments by the Company, to other body corporates or persons are given in notes to the financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

Your Company is also presenting the audited consolidated financial statements prepared in accordance with the Accounting Standard 21 issued by the Institute of Chartered Accountants of

India. Information in aggregate for each subsidiary in respect of capital reserves, total assets, liabilities, investments, turnover, etc. is disclosed separately and forms part of the Annual Report.

OPERATIONS & PROJECTS

A detailed review of operations and projects has been included in the Management Discussion and Analysis Report, which forms part of this Annual Report.

RISK MANAGEMENT

Cairn India follows well-established and detailed risk assessment and minimisation procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

The Risk Management Committee assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework. Further, the Company has a dedicated risk assurance team interfacing between the risk management Committee and the Board to facilitate risk reporting and updates, risk policy compliances and provide overall guidance and support to business risk owners.

The heads of businesses/ functions of Cairn India are required to make an objective assessment of the internal controls within their respective functions annually, and issue assurance statements on the effectiveness of such controls. These statements are consolidated at the entity level by way of an assurance statement from the CEO to the Board, summarizing the robustness of the internal controls at an entity level, and action plans proposed to

be taken to address the gaps, if any.

INTERNAL CONTROL SYSTEM

Cairn India continuously invests in strengthening its internal control processes. The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

Financial policies, standards and delegations of authority have been disseminated to senior management to cascade within their departments. Procedures to ensure conformance with the policies, standards and delegations of authority have been put in place covering all activities.

The Company has a Chief Internal Auditor with a dedicated internal audit team which is commensurate with the size, nature & complexity of operations of the Company. Internal audit reports functionally to Audit Committee of Board which reviews and approves risk based annual internal audit plan. Audit

Committee periodically reviews the performance of internal audit function.

The Company has a rigorous business planning system to set targets and parameters for operations which are reviewed with actual performance to ensure timely initiation of corrective action, if required.

The Audit Committee reviews adherence to internal control systems and internal audit reports. Further, the board annually reviews the effectiveness of the Company's internal control system.

SUBSIDIARY COMPANIES

During the financial year under review, in order to simplify and consolidate the multi-layered structure, twelve subsidiary companies were deregistered, details of which are given in Table 2.

As on 31 March, 2014, the Company had 19 subsidiaries including indirect subsidiaries. All these companies are 100% beneficially owned by Cairn India Limited. The Company has its representatives on the boards of subsidiary companies and monitors the performance of such companies regularly.

The Ministry of Corporate Affairs, vide

its circular no. 2/2011 dated 8 February, 2011, had granted exemption to holding companies from attaching the financial statements of its subsidiaries to the Company's annual report. In accordance with the said circular, the balance sheet, profit & loss account and other documents of the subsidiary companies are not being attached with the balance sheet of the Company.

The Company will make available the annual accounts of the subsidiary companies to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the registered office of the Company and respective subsidiary companies. Further, the annual accounts of the subsidiaries are also available on the website of the Company viz. www.cairnindia.com. The consolidated financial statements presented by the Company include the financial results of its subsidiary companies.

CORPORATE GOVERNANCE

Your Company strives to ensure that best corporate governance practices are identified, adopted and consistently followed. Your Company believes

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

S. No.	Name of the Company	Country of incorporation	Effective date of deregistration/ dissolution
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



The Company has an adequate system of internal control commensurate with its size and nature of business

that good governance is the basis for sustainable growth of the business and for enhancement of stakeholder value.

The corporate governance and management discussion and analysis reports form an integral part of this report and are set out as separate sections to this annual report. The certificate of S. R. Batliboi & Co. LLP, chartered accountants, the statutory auditors of the Company certifying compliance with the conditions of corporate governance as stipulated in clause 49 of the listing agreement with stock exchanges is annexed with the report on corporate governance.

RELATED PARTY TRANSACTIONS

All the related party transactions are done on arm's length basis. The Company presents a statement of all related party transactions before the Audit Committee. Details of such transactions are given in the accompanying financial statements.

SECRETARIAL AUDIT

In line with the high standards of corporate governance adopted by the Company and also to ensure proper compliance with the provisions of various corporate laws, regulations and guidelines issued by the Securities and Exchange Board of India, the listing agreement, the Company has voluntarily got secretarial audit conducted from a practicing Company Secretary.

An audit report issued by M/s. Nesar & Associates, Company Secretaries, in respect of the secretarial audit of the Company for the financial year ended 31 March 2014, is provided separately in the Annual Report.

AUDITORS & AUDITORS' REPORT

S. R. Batliboi & Co. LLP, chartered accountants, auditors of the Company, retire at the conclusion of the ensuing annual general meeting. They have confirmed that they are eligible for appointment and not disqualified for appointment under the Companies Act, 2013, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder and there are no proceedings against them or any partner of the audit firm pending with respect to professional matters of conduct.

The Audit Committee at its meeting held on 23 April, 2014 has also recommended the re-appointment of S. R. Batliboi & Co. LLP as Statutory Auditors of the Company. Your directors also recommend their re-appointment from the conclusion of this annual general meeting till the conclusion of the next annual general meeting.

The financial statements, as referred to in the Auditors' Report, are self explanatory and therefore do not require further comments and explanation.

COST AUDITORS

In terms of the Cost Accounting Records (Petroleum Industry) Rules, 2011, issued by Ministry of Corporate Affairs on 7 December, 2011, vide G.S.R. 870(E), the Company is required to maintain cost accounting records and get them audited every year.

The Board appointed M/s. Shome & Banerjee, cost accountants, as Cost Auditors of the Company for the financial year 2014-15 at a fee of INR 8,85,000/- (Rupees eight lacs eighty five thousand

only) plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the shareholders at the ensuing annual general meeting pursuant to section 148 of the Companies Act, 2013, read with Cost Accounting Records (Petroleum Industry) Rules, 2011.

The cost audit report would be filed with the Central Government within prescribed timelines.

FIXED DEPOSITS

The Company has not invited any deposits from the public under Section 58A of the Companies Act, 1956.

HUMAN RESOURCES

Company's industrial relations continued to be harmonious during the period under review.

PARTICULARS OF EMPLOYEES

Particulars of employees required to be furnished under Section 217(2A) of the Companies Act, 1956 ('the old Act') and corresponding Section 197 of the Companies Act, 2013 ('the new Act') and rules thereunder, form part of this report. However, as per the provisions of Sections 219(1)(b)(iv) and 136(1) of the old and new Act respectively, the report and accounts are being sent to the shareholders of the Company excluding the particulars of employees. Any shareholder interested in obtaining a copy of the said statement may write to the Company Secretary for the same.



Processing installations at MPT, Rajasthan

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo is given in Annexure II to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. Appropriate accounting policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the

Company as at 31 March, 2014 and of the profit of the Company for the year ended 31 March, 2014.

- iii. Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The annual accounts have been prepared on a going concern basis.
- v. The Company has devised proper systems to ensure compliances of all laws applicable to the Company.
- vi. Internal financial controls have been laid down and such internal financial controls are adequate and were operating effectively.

CORPORATE SOCIAL RESPONSIBILITY

Cairn India is committed to the highest standards of Corporate Social Responsibility. We are committed to create value through leadership

in corporate responsibility. It is our conviction that continuous business growth and sustainable communities go hand-in-hand while creating value for our stakeholders.

Cairn India has always taken a lead in developing linkages, relationships and interfaces between 'Business' and 'Society' from its inception, and has garnered support from all stakeholders including the society at large. It has paved the way for a new paradigm in CSR by not limiting itself to 'Philanthropy' but moving itself towards a new vision of 'Emancipation of communities through empowerment and enabling choices' build upon the Cairn's ideology of 'Respect, Relationship and Responsibility'. Cairn pro-actively engages with communities and stakeholders to arrive at the collective vision and joint implementation plan. Our goal is to make a positive social impact in every area in which we operate.

During the year under review, the Board

constituted a CSR committee consisting of 3 Directors, of which two are non-executive Directors, with the Chairman being independent Director.

The CSR Committee at its meeting held on 23 April, 2014, recommended the CSR policy which was also approved by Board of the Company. The composition, terms of reference etc. of the CSR Committee are provided in Corporate Governance Report which forms part of this Annual Report.

Detailed information on the initiatives of the Company towards CSR activities is provided elsewhere in the Annual Report. Further, the CSR policy of the Company is also placed on the website of the Company i.e. www.cairnindia.com.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report for financial year 2013-14 is attached and forms part of the Annual Report.

AWARDS AND RECOGNITIONS

During the year, your Company earned a number of awards and honours from different bodies and trade organisation, the summary of which is as under:

- FICCI Corporate Social Responsibility Award – 2013 under 'Category: Private Sector Companies with INR 3,001 crore per annum and above turnover'.
- With a three-year CAGR of 121%, Cairn India Ltd was named as the world's fastest growing energy company, for the second year in a row, in the Platts Top 250 Global Energy Company Rankings 2013.
- Government of Gujarat awarded the certificate of recognition in honour of Project Shrishti (Green initiative by plantation, gardening and park for public) at Nalsarovar Bird Sanctuary, Ramsar Site in the year 2013.
- Cairn India was conferred the ET Now Talent Leadership Conference and Awards 2013 under two categories for

the most 'Innovative HR practices' and for 'Best Talent Management Strategy'.

Cairn India's Mangala Oil & Gas Field unit won the Second prize in the large scale manufacturer category at the 3rd FICCI Safety Systems Excellence Awards for Manufacturing, 2013.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Cairn India's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

A policy on Prevention of Sexual Harassment at Workplace was released during the last financial year. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour. A five member Internal Complaints Committee (ICC) was set up from the senior management with women employees constituting majority. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the year ended 31 March 2014, the ICC received two complaints pertaining to sexual harassment. Detailed investigations were carried out and appropriate action was taken by the ICC.

RELEVANT EXTRACT OF THE ANNUAL RETURN TO BE FILED WITH REGISTRAR OF COMPANIES

Relevant extract of annual return to be

filed with the Registrar of Companies for financial year 2013-14 is given in Annexure III to this Report.

SHARE TRANSFER SYSTEM AND LISTING OF SHARES

Details pertaining to share transfers and listing of shares are given in the corporate Governance report which forms part of the annual Report. The Company has paid the annual listing fee for the year 2014-15 to BSE Limited and National Stock Exchange of India Limited .

APPRECIATION

Your Directors wish to place on record their sincere appreciation of the efforts and dedicated service of all employees, which contributed to the continuous growth and consequent performance of the Company. Your Directors wish to place on record their gratitude for the valuable assistance and co-operation extended to the Company by the Central Government, State Governments, Joint Venture Partners, Banks, Institutions, Investors and Customers.

For and on behalf of the Board of Directors

Mr. Navin Agarwal
Chairman

Place: Gurgaon
Date: 23 April, 2014

CORPORATE GOVERNANCE

Annexures To The
Directors' Report

ANNEXURE I

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

S.No.	Particulars	Cairn India Senior Management Plan	Cairn India Performance Option Plan (2006)	Cairn India Employee Stock Option Plan (2006)
1.	Options granted during April 2013- March 2014	Nil	3,290,997	Nil
2.	The Pricing Formula	INR 33.70 per share	INR 10 per share price	Price determined by the Remuneration Committee but not less than the fair market value of a share on the date of grant
3.	Options Vested during April 2013- March 2014	NIL	NIL	2,136,212
4.	Options Exercised during April 2013- March 2014	NIL	NIL	662,266
5.	Total number of shares arising as a result of exercise of options during April 2013- March 2014	NIL	NIL	662,266
6.	Options lapsed during April 2013- March 2014	NIL	357,047	786,472
7.	Variation of terms of options	None	Yes*	None
8.	Money realized by exercise of options during April 2013- March 2014 (Amount in INR)	NIL	NIL	148,121,661.90
9.	Total number of options in force as on 31 March 2014	NIL	4,439,313	12,523,078
10.	Employee wise details of options granted during the year to:			
	i) Senior Managerial Person	None	P. Elango- 46,758 Ananthkrishnan B.- 30,182 Ganesan Rajgopalan-38,344 Neerja Sharma- 29,097 Hari Kumar Polavarapu-49,569 Sanjay Singh- 33,872 Sudhir Mathur-47,808 Venkatesan T.K- 26,984	None
	(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during the year	None	None	None
	(iii) Identified employees who were granted options during any 1 year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants & conversions) of the Company at the time of grant	None	None	None
11.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard 20	38.95	38.95	38.95
12.	i) Method of calculation of employee compensation cost		Fair Value Method	
	ii) Difference between the employee compensation cost so computed at 12(i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the options (INR in lacs)		NA	

S.No.	Particulars	Cairn India Senior Management Plan	Cairn India Performance Option Plan (2006)	Cairn India Employee Stock Option Plan (2006)
	iii) The impact of this difference on profits and on EPS of the Company	-	NA	-
	Profit after Tax (PAT) (INR in lacs)	-	745,433	-
	Less: Additional employee Compensation cost based on fair value (INR in lacs)	-	NA	-
	Adjusted PAT (INR in lacs)	-	745,433	-
	Adjusted EPS Basic (INR)	-	39.03	-
	Adjusted EPS Diluted (INR)	-	38.95	-
13.	Weighted-average exercise prices of options granted during April 2013- March 2014	NA	10	NA
	Weighted-average fair value of each option outstanding as on 31 March 2014	NA	280.44	162.76
14.	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:			
i.	risk-free interest rate	NA	8.47	NA
ii.	expected life (in years)	NA	3.13	NA
iii.	expected volatility	NA	28.30	NA
iv.	expected dividends	NA	NA	NA
v.	price of the underlying share in market at the time of option grant	NA	306.7	NA

*During the year 2013-14, with the approval of shareholders taken through postal ballot, CIPOP scheme was amended to align with best practices in the global oil & gas industry and other industries.

ANNEXURE II

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy

Energy conservation measures taken

Cairn India operates in a safe and environmentally responsible manner for the long-term benefit of all stakeholders. We work towards minimizing the impact of our operations on the environment and are committed to take effective measures to conserve energy, promote the use of renewable energy and drive energy efficiency in our operations.

Last year, we launched number of initiatives in our producing assets towards reducing our energy footprint. In Rajasthan block we have installed solar-powered lighting systems at several operating terminals. Renewable energy continues to

augment the energy required to operate the unmanned production platforms at Ravva and Suvahi. In the year 2013-14, your Company completed a renewable energy strategy study with TERI; several recommendations of which are under further techno-commercial evaluation. A significant initiative emerging out of the above is the potential for using solar thermal technologies for high and medium pressure steam generation in our Rajasthan processing facilities. Discussions are underway with technology providers to assess the possibility of such an option.

Measures taken for reduction of energy consumption & consequent impact

During the period under review, several

energy conservation initiatives were adopted and were taken, some of which are listed below:

Rajasthan upstream operations

- We currently use the associated gas at Mangala Processing Terminal (MPT) to generate power for our operational facilities and the excess associated gas is flared. An initiative to compress and condition the excess gas and to make it saleable is currently underway. Post-conditioning, this gas will be commingled and exported with the Raageshwari gas for sale to our gas customers.
- We are in the process of installing solar-powered lighting at our facilities. In the 2013-14, 46 solar powered lights

were installed at our Raageshwari Gas Terminal (RGT). Another 41 solar powered lights were installed at our Bhagyam facility in Rajasthan. This has resulted in sourcing 6,130 KWH during the reporting period from renewables.

- We have also installed 32 light-controlled timers at the Bhagyam facility to save electricity. This initiative has resulted in electricity savings of 48,162 KWH during the reporting period.
- We have completed a feasibility study for the installation of a Solar PV based captive power plant at Saraswati S1 well pad area. A statement of work has been initiated for a power plant that will generate about 235,000 KWH of electricity per annum.
- We have also completed a feasibility study for the installation of a solar energy based drip irrigation system for use in our greenbelt area.
- We have partially replaced conventional transport vehicles within the processing plant facilities in MPT and RGT with battery operated vehicles and bicycles. Golf carts have been deployed in MPT and bicycles are in use at our Bhagyam facility for internal plant movement of personnel.

Ravva operations

- Each unmanned offshore platform has solar panels and a wind turbine that provides power for instrumentation, telemetry system and navigation lights. Hot water for laundry at living quarters is generated from solar water heater. The estimated value of renewable energy used at Ravva in the year 2013-14 is 43.48 MWH.
- Re-injection of produced water separated at the Ravva terminal, back into the reservoir helps reduce discharge of waste water to sea and abstraction of ground water for injection purposes.
- Fuel gas flow meters installed in gas turbines and gas engines which are major fuel consuming equipments for performance monitoring.

Midstream operations

The energy requirement for heating the crude oil pipeline and powering our sites is met by the gas we produce from Raageshwari fields in Rajasthan. This year we are committed to reduce this fuel gas consumption by energy audit/management and target setting. Rooftop solar panels at our Above Ground Installations (AGIs) were trialled on pilot basis in the year 2013-14.

Suvali (CB/OS-2) operations

- Approximately 13,709 KWH/ year of power is generated by the solar power system installed at the offshore platforms.
- The gas condensate produced at the onshore processing facility was being transferred to the storage tanks, resulting in flash vapours which could not be recovered. The condensate has been therefore re-routed to the oil processing system, wherein the flash vapours were recovered by the gas ejectors (~45.0 to 50 scm/hr) and injected back into the sales gas stream.
- Air-conditioning system of the control room building has been replaced with non-ODS (Ozone Depleting Substance) type refrigerant (R-407C). With the new system we were able to achieve reduction in refrigerant usage by 13 % and save electrical energy up to 14%.
- Natural Gas has been now substituted with nitrogen system for blanketing of storage tanks to minimize the natural gas consumption. Post usage of Nitrogen as a blanketing gas, GHG emission has reduced and has also reduced the operational hazards. Further, vapor balancing was introduced to utilize the vapour generated from tank in receipt to tank under dispatch mode which further reduces emission to atmosphere. This has helped in reducing the fuel gas consumption by ~1200 to 1500 scm/day.

Additional investments and proposals being implemented for conservation of energy

During the year 2013-14, Cairn India initiated a Solar Home System project to cover over 2,000 rural households in Rajasthan block. As part of this project, Cairn India plans to fund 35% of the total cost of installation per household. The balance funds will be collected from the community and government subsidies. In Phase-I, installation has commenced for 500 households.

The company is also in talks with technology providers to install a solar micro-grid community pilot project that will cover 15-20 villages near its areas of operation.

TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION

Research & Development (R&D) Specific areas in which R&D was carried out by the Company

- Subsurface as a discipline has engaged in various R&D work throughout the year in field of enhanced oil recovery and exploiting the low permeability tight reservoirs. Cairn continued its study with research institutes towards field scale implementation EOR (Enhanced Oil Recovery) program. Cairn has been conducting a field pilot to demonstrate the applicability of EOR in the Mangala field in FM1, the uppermost unit of the Mangala reservoir which contains around 45% of the total STOIMP.

The pilot was planned with small area of 100 x100 mts to expedite timely results while allowing all pilot objectives to be met. Production and water injection in the pilot started in the year 2010 which was followed by polymer injection in 2011. Completion of polymer injection period resulted in additional oil recovery over water flood



Offshore drilling operations, Sri Lanka

from the pilot area STOIPP. Next phase of ASP flooding is currently under progress in the field.

- In Ravva, the Company looked at the opportunity of increased oil recovery through state of the art 4D seismic study. Under this study seismic data was repeatedly acquired over time and differenced to identify locations where hydrocarbons have not been drained by existing production wells. Implementation of the Ravva 4D program was carefully and methodically done, from feasibility modelling through data acquisition, processing and analysis. The first of these areas were successfully tested by a well drilled in March 2014; the well tested and flowed at ~ 3,000 bopd.
- Your Company has established the successful trial of SOBMs cuttings dryers.
- A well GA-6 had a potential of ~1,000 bopd but oil zone ceased to flow due to severe sanding issues. Hence, a resin based sand consolidation treatment job was planned in the well. Lab test of the resin on the sand samples from the well

was conducted and showed positive results.

- Continuing on our earlier feasibility studies of utilizing Synthetic Based Mud (SDM) contaminated drill cuttings in cement kilns, during the year 2013-14, we have obtained approvals from the Central Pollution Control Board for recycling by co-processing of the drill cuttings. We are now in the process of commercial scaling-up of this initiative.
- Mangala EOR project has resulted in additional power requirement from the grid power thereby reducing the use of gas for power generation. This concept of using grid and solar power to meet the power demand is planned to be applied in all future EOR projects as well.
- Cairn has been actively pursuing the application of EOR (Enhanced Oil Recovery) technology in the Mangala, Bhagyam and Aishwariya (MBA) fields. Studies by research institutes to evaluate the feasibility and define optimum formulations for increased oil recovery have been conducted. A field

scale EOR pilot plant has been set up within the Mangala Processing Terminal to test the chemical EOR process at pilot scale. Eight wells have been drilled and completed for the EOR pilot. The water injection & polymer injection phase of the pilot has been successfully completed. Polymer injection has resulted in significant decline in water-cut of the producer demonstrating efficacy of polymer in improving oil recovery over base waterflood. Based on the successful pilot results, the development plan for full field application of polymer flood in Mangala field is under implementation. Based on the studies, the field development plan for full field application of Polymer flood in Bhagyam field has been submitted. The alkali surfactant polymer (ASP) phase of the pilot is ready for start up.

- Innovative electrical infrastructure (E – house) has been designed and developed for well pad over conventional substation.
- Niche technological solution developed for the treatment of produced water

3. EXPENDITURE ON R&D

S.No	Particulars	Amount (In INR lacs)
1.	Capital	33,363
2.	Recurring	1,875
3.	Total*	35,238
4.	Total R&D expenditure as a % of total turnover (revenue from operations)	1.88

*These are consolidated numbers for the twelve months period ended 31 March, 2014

containing polymer. This improves water conservation by allowing reuse of water and also improves separation efficiency in process.

- A Pipeline Integrity Management System covering all stages of integrity life-cycle from assessing the pipeline risk to managing and analyzing inspection data to planning mitigation actions has been initiated. This system consolidates all pipeline data in one database platform and can analyze gathered data to aid and document the analysis/decision process and respond accordingly.
- Risk based inspection was introduced which is used to identify and assess the risk of damage mechanism to pipeline and facilities to assess probability/consequence of failure and thereby rank risk accordingly. It is also used to optimize inspection intervals.
- To allow for increased rate of production and subsequent flows on the crude pipeline, technical solution of drag reducing agents were used positively during the period and allowed flows in excess of 200,000 bopd without the need of adding major equipment.

Benefits derived as a result of this R&D

- Cairn's continued research in EOR applications for the MBA fields unlocked additional oil reserves within these fields. A proper management of depleted reservoirs and use of advanced technology is helping Cairn to recognise additional and early recovery from its matured fields.
- The SOBMs dryers reduce the oil on cuttings volume by approx 10% and

can yield up to 40bbbls of SOBMs mud in a 24 hour period of steady drilling. This technology reduces the hazardous land fill volume and the returned fluid is re-used in the mud. In addition, due to the reduced cuttings volume at the rig pads, your Company hopes to reduce the waste pit sizes over time and hence reduce the pad footprint.

- Coil tubing based well intervention was carried out, which helped in achieving the sand clean out across the perforation and pump sand consolidation resin in the oil zone.
- Also, a lower gas zone was isolated using an inflatable packer conveyed on coil tubing to ensure proper treatment of the upper oil zone. Post this operation the well was activated and flowed on self @ ~1,100 bopd.
- Cairn's research and adoption of new technologies in EOR applications for the MBA fields is unlocking the potential of recovering additional oil reserves within these fields as well as helping in seamless project execution. Success of ASP pilot will further improve the oil recovery from these fields and pave the way for chemical EOR application in other fields as well.

Future Plan of Action

Going forward, post Mangala implementation, it is also intended to implement chemical EOR in Bhagyam and Aishwariya fields. A polymer injectivity test is planned in Bhagyam which would be followed by field wide polymer flood implementation. We further, plan to operationalize the co-processing of the drilling waste in cement industries.

Expenditure on R&D

Details outlined in Table 3.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans

Cairn sells its entire crude oil production domestically to PSUs and private refineries. The Company continues to play a key role in helping India enhance its energy security by continuous exploration and enhancing domestic crude oil production. Currently, Cairn contributes ~30% to domestic crude oil production of the country.

FOREIGN EXCHANGE USED AND EARNED

During the period ended 31 March, 2014, the Company earned INR 992,753 lacs and incurred expenditure of INR 131,662 lacs in foreign exchange.

For and on behalf of the Board of Directors

Navin Agarwal
Chairman

Place : Gurgaon
Date : 23 April, 2014

ANNEXURE III

**RELEVANT EXTRACT OF ANNUAL RETURN
for the financial year ended on 31 March, 2014**
1. REGISTRATION AND OTHER DETAILS

1	Corporate Identity Number (CIN) of the Company	L11101MH2006PLC163934
2	Registration Date	21 August, 2006
3	Name of the Company	Cairn India Limited
4	Category / Sub-Category of the Company	Public Company limited by shares
5	Address of the Registered office and contact details	101, West View, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025 Tel +91 22 24338306, Fax +91 22 24311160
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 E-Mail: rnt.helpdesk@linkintime.co.in, Tel: +91 22 2594 6970, Fax: +91 22 2594 6969

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products	NIC Code of the Product	% to total turnover of the company
1	Extraction of crude petroleum	0610	99%
2	Extraction of natural gas	0620	1%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section of Companies Act, 2013
1	Sesa Sterlite Limited 20 EDC Complex Pattoo, Sesa Ghor Panaji Goa 403001	L13209GA1965PLC000044	Holding	58.85%	2(46) & 2(87)
2	Cairn India Holdings Limited 4th Floor, 22-24 New Street, St Paul's Gate, St Helier, Jersey, JE1 4TR	-	Subsidiary	100%	2(87)
3	CIG Mauritius Holding Private Limited 6th Floor, Tower A 1 Cybercity, Ebene Mauritius.	-	Subsidiary	100%	2(87)

Notes:

1. Sesa Sterlite directly and through its subsidiaries holds 58.85% share capital in Cairn India. The break up for the same is as under:-
 - a. Sesa Sterlite Limited- 18.41%
 - b. Twin Star Mauritius Holdings Ltd-38.73%
 - c. Sesa Resources Limited-1.71%
2. The direct subsidiaries of Cairn India further holds subsidiary companies in various jurisdictions. The details for the same are as under:
 - A Cairn India Holdings Limited**
 - i. Cairn Energy Holdings Limited
 - ii. Cairn Energy Hydrocarbons Limited
 - iii. Cairn Exploration (No.7) Limited
 - iv. Cairn Exploration (No.6) Limited
 - v. Cairn Exploration (No.2) Limited
 - vi. Cairn Energy Gujarat Block 1 Limited
 - vii. Cairn Energy Discovery Limited
 - viii. Cairn Energy Australia Pty Limited
 - ix. Cairn South Africa Proprietary Limited
 - x. Cairn Energy Cambay B.V.
 - xi. Cairn Energy India West B.V.
 - xii. Cairn Energy Gujarat B.V.
 - xiii. Cairn Energy Netherlands Holdings B.V.
 - xiv. CEH Australia Limited
 - xv. Cairn Energy India Pty Limited
 - B CIG Mauritius Holding Private Limited**
 - i. CIG Mauritius Private Limited
 - ii. Cairn Lanka (Pvt) Limited

SHAREHOLDING PATTERN

Category-wise Share Holding

Category of Shareholders	No. of shares held on 1 April, 2013				No. of shares held on 31 March, 2014				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
Individual/HUF	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	Nil
Central Government	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	Nil
State Government(s)	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	Nil
Bodies Corporate	383,840,413	Nil	383,840,413	20.09	383,840,413	Nil	383,840,413	20.12	00.03
Banks/Financial institutions	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	Nil
Any Other	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	Nil
Sub-total (A)(1)	383,840,413	Nil	383,840,413	20.09	383,840,413	Nil	383,840,413	20.12	00.03
(2) Foreign									
NRIs - Individuals	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	Nil
Other - Individuals	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	Nil
Bodies Corporate	738,873,586	Nil	738,873,586	38.68	738,873,586	Nil	738,873,586	38.73	00.05
Banks/Financial institutions	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	Nil
Any Other	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	Nil
Sub-total (A)(2)	738,873,586	Nil	738,873,586	38.68	738,873,586	Nil	738,873,586	38.73	00.05
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1,122,713,999	Nil	1,122,713,999	58.77	1,122,713,999	Nil	1,122,713,999	58.85	00.08
B. Public Shareholding									
(1) Institutions									
Mutual Funds	59,751,067	Nil	59,751,067	03.13	15,717,957	Nil	15,717,957	00.82	(02.31)
Banks/Financial institutions	150,582,566	Nil	150,582,566	07.88	169,707,915	Nil	169,707,915	08.90	01.02
Central Government	Nil	Nil	Nil	00.00	325,612	Nil	325,612	00.02	00.02
State Government (s)	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	00.00
Venture Capital Funds	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	00.00
Insurance Companies	2,182,625	Nil	2,182,625	00.12	2,232,625	Nil	2,232,625	00.12	00.00
FII's	278,117,140	Nil	278,117,140	14.56	339,759,538	Nil	339,759,538	17.81	03.25
Foreign Venture Capital Fund	Nil	Nil	Nil	00.00	Nil	Nil	Nil	00.00	00.00
Others - Qualified foreign investors	75,050	Nil	75,050	00.00	50	Nil	50	00.00	00.00
Sub-total (B)(1)	490,708,448	Nil	490,708,448	25.69	527,743,697	Nil	527,743,697	27.67	01.98
(2) Non-Institutions									
(a) Bodies Corporate									
i) Indian	43,850,079	Nil	43,850,079	02.30	23,143,109	Nil	23,143,109	01.21	(01.09)
ii) Overseas	196,174,600	Nil	196,174,600	10.27	184,125,764	Nil	184,125,764	09.65	(00.62)

SHAREHOLDING PATTERN

Category-wise Share Holding

Category of Shareholders	No. of shares held on 1 April, 2013				No. of shares held on 31 March, 2014				
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	% Change during the year
(b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	46,210,771	6693	46,217,464	02.42	40,227,661	5777	40,233,438	02.11	(00.31)
ii) Individual shareholders holding nominal share capital in excess of Rs1 lakh	5,816,944	Nil	5,816,944	00.30	4,424,578	Nil	4,424,578	00.23	(00.07)
(c) Others									
NRI (Repat)	1,588,589	Nil	1,588,589	00.08	1,249,398	300	1,249,698	00.07	(00.01)
NRI (Non Repat)	661,433	Nil	661,433	00.03	429,057	Nil	429,057	00.02	(00.01)
Clearing Members	1,828,000	Nil	1,828,000	00.10	2,773,130	Nil	2,773,130	00.15	00.05
Directors/Relatives	177,746	Nil	177,746	00.01	177,746	Nil	177,746	00.01	00.00
Trusts	500,852	Nil	500,852	00.03	615,655	Nil	615,655	00.03	00.00
Sub-total (B)(2)	296,809,014	6,693	296,815,707	15.54	257,166,098	6,077	257,172,175	13.48	(02.06)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	787,517,462	6,693	787,524,155	41.23	784,909,795	6,077	784,915,872	41.15	(00.08)
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	00.00
Grand Total (A+B+C)	1,910,231,461	6,693	1,910,238,154	100	1,907,623,794	6,077	1,907,629,871	100	-

SHAREHOLDING PATTERN

Shareholding of Promoters

Shareholder's Name	No. of shares held on 1 April, 2013			No. of shares held on 31 March, 2014			
	No. of Shares	% of total Shares Of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares Of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
Twin Star Mauritius Holdings Ltd	738,873,586	38.68	Nil	738,873,586	38.73	100.00	00.05
Sesa Sterlite Limited*	351,140,413	18.38	Nil	351,140,413	18.41	Nil	00.03
Sesa Resources Limited	32,700,000	1.71	Nil	32,700,000	1.71	Nil	00.00
Total	112,271,399	58.77	-	112,271,399	58.85	-	00.08

*Erstwhile Sesa Goa Limited.

SHAREHOLDING PATTERN

Change in Promoters' Shareholding*

Shareholder's Name			Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
At the beginning of the year, 1 April, 2013				
Twin Star Mauritius Holdings Ltd	738,873,586	38.68	-	-
Sesa Sterlite Limited	351,140,413	18.38	-	-
Sesa Resources Limited	32,700,000	1.71	-	-
Total	112,271,399	58.77	-	-
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)				
	-	-	-	-
At the end of the year, 31 March, 2014				
Twin Star Mauritius Holdings Ltd	738,873,586	38.73	-	-
Sesa Sterlite Limited	351,140,413	18.41	-	-
Sesa Resources Limited	32,700,000	1.71	-	-
Total	112,271,399	58.85	-	-

*There is no change in the number of shares held by the promoter companies, however, the percentage of shareholding has changed during the year due to ESOP allotments and extinguishment of shares pursuant to Buy-Back.

SHARE HOLDING PATTERN

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Top Ten shareholders	Shareholding as on 1 April, 2013		Shareholding as on 31 March, 2014	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
Cairn UK Holdings Limited	196,174,600	10.27	184,125,764	9.65
Life Insurance Corporation of India	150,952,015	7.90	170,359,722	8.93
Europacific Growth Fund	16,000,000	0.84	-	0.00
ICICI Prudential Dynamic Plan	27,430,829	1.44	424,161	0.02
Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Fund	9,391,699	0.49	8,370,756	0.44
Indus Capital Advisors (UK) LLP A/c Indus India Fund (Mauritius) Limited	9,220,753	0.48	-	0.00
Reliance Life Insurance Company Limited	8,879,707	0.46	171,478	0.01
Robeco Capital Growth Funds	8,200,000	0.43	6,804,350	0.36
Swiss Finance Corporation (Mauritius) Limited	7,239,857	0.38	-	0.00
HSBC Global Investment Funds A/c HSBC Global Investment Funds Mauritius Limited	7,031,379	0.37	10,119,043	0.53

SHARE HOLDING PATTERN

Shareholding of Directors and Key Managerial Personnel*

For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
At the beginning of the year, 1 April, 2013				
P. Elango	177,746	0.01	-	-
Neerja Sharma	34,341	0.002	-	-
Sudhir Mathur	-	-	-	-
Date wise increase/ decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
At the end of the year, 31 March, 2014				
P. Elango	177,746	0.01	-	-
Neerja Sharma	34,341	0.002	-	-
Sudhir Mathur	-	-	-	-

*There is no change in the number of shares held by the KMP & Directors, however, the percentage of shareholding has changed during the year due to ESOP allotments and extinguishment of shares pursuant to Buy-Back.

INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in INR)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
+ Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	Nil	Nil	Nil	Nil

REMUNERATION OF DIRECTORS

(in INR lacs)

A. Remuneration to Whole-time Director

Particulars of Remuneration	Name of MD/ WTD/ Manager	Total
	Mr. P. Elango	
Gross salary		
a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	199.89	} 233.45
b) Value of perquisites u/s 17(2) Income-tax Act, 1961	33.56	
c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	
Stock Option	46,758 stock options granted during the year	
Sweat Equity	NIL	NIL
Commission		
as% of profit	NIL	NIL
others, specify	NIL	NIL
Others, please specify		
Bonus & Performance Incentives	251.52	} 277.85
Retirement Benefits	26.33	
Total(A)	511.30	511.30
Ceiling as per the Act	5% of the net profits of the Company	

REMUNERATION OF DIRECTORS

(in INR lacs)

B. Remuneration to other directors

Particulars of Remuneration	Name of Directors				Total Amount
	Independent Directors	Omkar Goswami	Naresh Chandra	Aman Mehta	
Fee for attending board committee meetings	2	2	2.40	1.60	8
Commission	75	75	75	75	300
Others, please specify	-	-	-	-	-
Total(1)	77	77	77.40	76.60	308
Other Non-Executive Directors	Tarun Jain	Navin Agarwal	Priya Agarwal		
Fee for attending board committee meetings	2.80	1.40	0.60		4.80
Commission	-	-	-		-
Others, please specify	-	-	-		-
Total(2)	2.80	1.40	0.60		4.80
Total(B)=(1+2)			312.80		
Total Managerial Remuneration (A+B)			824.10		
Overall Ceiling as per the Act			11% of the net profits of the Company		



PENALTIES / PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Sections of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority (RD/NCLT / COURT)	Appeal made, if any (give Details)
A. COMPANY	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-