



For Immediate Release

23<sup>rd</sup> July, 2014

## Cairn India Limited

### First Quarter Financial Results for the period ended 30<sup>th</sup> June, 2014

Cairn India Limited (CIL), one of the fastest growing energy companies in the world, today announces its quarterly financial results for the period ending 30<sup>th</sup> June, 2014. Source: 2013 Platts Top 250 Global Energy Rankings

#### Mr. Sudhir Mathur, Interim CEO, Cairn India said:

*"In line with our vision to contribute to the nation's energy security, we are confident of not only achieving the stated exploration target of 3bn barrels of hydrocarbons in-place, ahead of schedule, but also of adding another 3 bn barrel to our un-risked prospect inventory.*

*With multi-Tcf potential, we expect gas to be a significant contributor in our product mix. Before end of financial year 2015, we anticipate doubling of gas production from Rajasthan.*

*Our two main projects of enhanced oil recovery and debottlenecking Mangala Processing Terminal are as per schedule."*

#### Q1 FY 15 Highlights

##### Financial:

- Revenue of ₹ 4,483 crore (US\$ 750 mn), up 10% YoY
- EBITDA of ₹ 3,120 crore (US\$ 522 mn), up 3% YoY
- Profit After Tax (Excl exceptional items) of ₹ 2,720 crore (US\$ 455 mn), Cash EPS of ₹ 18.17
- Generated Cash Flow From Operations of ₹ 2,834 crore (US\$ 474 mn)
- High Gross capex ₹ 2,464 crore (US\$ 412 mn) led by development activity in RJ
- Gross contribution of ₹ 6,267 crore (>US\$ 1 bn) to the exchequer

##### Production:

- Average daily gross operated production of 217,869 boepd (226,597 boepd including internally consumed gas) during the quarter
- Rajasthan production at 183,164 boepd, in line with FY15 guidance
- Ravva production at 23,940 boepd, 4D infill wells contributing successfully
- Cambay production at 10,765 boepd, sustaining well

##### Rajasthan Exploration:

- Established 1.2bn boe of hydrocarbons in-place, since resumption of exploration in Rajasthan. An additional ~0.6bn boe has been discovered and is either currently undergoing testing or is awaiting testing
- Extended a significant existing gas play, with multi-TCF potential, in and around the Raageshwari Deep gas (RDG) field
- We anticipate establishing an additional ~1.2bn boe hydrocarbons in-place during FY15/16, to achieve the stated in-place target of 3bn boe, significantly ahead of schedule and taking total Rajasthan discovered hydrocarbons in place to approximately 7 billion boe



- An additional un-risked prospect inventory potential of 3 billion boe identified, to be drilled up in future exploration campaigns, beginning FY16
- A significant shift from exploration to appraisal drilling is underway in the current financial year, to accelerate 2C-2P conversion and monetization
- All 7 new exploration and appraisal wells drilled in Q1 FY15 encountered hydrocarbons, opening up important new discoveries and adding significant potential resources

**Rajasthan Gas Development:**

- Acquiring equipment to double RDG production volumes by Q4 FY15
- Significant progress made towards technical alignment with JV on the RDG Field Development Plan
- Front End Engineering and tendering for construction of new pipeline and facilities underway for the gas development considering the large gas potential

**Rajasthan Oil Development:**

- MBA EOR project witnesses unprecedented development activity
  - On track for first polymer injection at Mangala by Q4 FY15, to enhance oil recovery rates
  - Construction of surface facilities including the central polymer facility has commenced, major equipment at site
  - Drilling by two high performance rigs has begun for EOR wells
  - Initial assessment of ASP pilot for EOR successful, suggest good oil bank formation
- Barmer Hill and Satellite fields - Undertook the largest tight oil development activity to date
  - Dedicated horizontal wells drilling campaign for tight oil initiated successfully
  - Adopt tight oil drilling technologies in Northern BH, pumped ~250,000 lbs of proppant
  - Production commenced from Mangala and Aishwariya BH fields; initial production rates encouraging
  - Three satellite fields including Raag S-1 contribute to production; NI and Guda to start production in Q2 FY15



## Corporate and Regulatory Developments

The Equity Share Buyback programme of the Company closed on 22<sup>nd</sup> July, 2014. During the Buyback period, the Company bought back 36,703,839 shares for a total consideration of approximately INR 1,225 crore from the open market through stock exchanges. As a result, equity share capital of the company stands reduced to 1,874,196,581 equity shares.

On the Regulatory front, Environment Clearance from RJ block to augment production to 300kboepd was received during the quarter.

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In conjunction with these financial results Cairn India is hosting an Investor Conference Call today. Details for the live audio webcast and dial in numbers for the call are available at the Cairn India website ([www.cairnindia.com](http://www.cairnindia.com)).



<b>Financial Review</b>
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₹ Crore	Q1 FY 15	Q1 FY 14	y-o-y (%)	Q4 FY 14	q-o-q (%)
Revenue	4,483	4,063	10%	5,049	(11%)
EBITDA	3,120	3,029	3%	3,654	(15%)
Margin (%)	70%	75%		72%	
PAT	1,093	3,127	(65%)	3,035	(64%)
Margin (%)	24%	77%		60%	
EPS (₹) – Diluted	5.76	16.36	(65%)	15.85	(64%)
Cash EPS (₹)	18.17	13.52	34%	17.75	2%

US\$ million	Q1 FY 15	Q1 FY 14	y-o-y (%)	Q4 FY 14	q-o-q (%)
Revenue	750	728	3%	817	(8%)
EBITDA	522	543	(4%)	592	(12%)
Margin (%)	70%	75%		72%	
PAT	183	561	(67%)	491	(63%)
Margin (%)	24%	77%		60%	
EPS (US\$) – Diluted	0.10	0.29	(67%)	0.26	(63%)
Cash EPS (US\$)	0.30	0.24	25%	0.29	6%

Revenue reported for Q1 FY15, post profit sharing with the Government of India and the royalty expense in the Rajasthan block, was INR 4,483 crore up 10% YoY on account of higher volumes and realizations despite higher profit petroleum tranche in Rajasthan. During the quarter, total profit petroleum was INR 1,778 crore (US\$297 million) including INR 1,533 crore (US\$ 256 million) for Rajasthan block. For the quarter, royalty for the RJ block was INR 1,069 crore (US\$ 179 million).

Earnings before Interest, Tax, Depreciation and Amortisation was INR 3,120 crore for the quarter, up 3% YoY. Profit after Tax in Q1 FY15 was INR 1,093 crore, down by 65% YoY primarily due to change in method of depreciation from Straight line method (SLM) to Unit of production (UOP). Accordingly, diluted EPS was lower at INR 5.76 though the cash earnings per share was much higher at INR 18.17. Rupee depreciation led to Forex gain of INR 99 crore in the quarter.

Cash and Cash equivalents as at June 30, 2014 were ~INR 13,561 crore in rupee funds and ~US\$ 922 million in dollar funds.



### Operational Activity across the Portfolio

	Asset	Basin	Exploration	Development	Production
<b>India</b>					
1	RJ-ON-90/1	Barmer	✓	✓	✓
2	CB/OS-2	Cambay		✓	✓
3	KG-ONN-2003/1	KG Onshore	✓		
4	KG-OSN-2009/3	KG Offshore	✓		
5	PKGM-1 (Ravva)	KG Offshore	✓	✓	✓
6	MB-DWN-2009/1	Mumbai Offshore	✓		
7	PR-OSN-2004/1	Palar – Pennar	✓		
<b>International</b>					
8	SL-2007-01-001	Mannar, Sri Lanka	✓		
9	Block 1	Orange, South Africa	✓		

### Exploration Review

	Asset	Basin	Cairn India's Interest (%)	JV partners	Area (in km <sup>2</sup> )
<b>India</b>					
1	RJ-ON-90/1	Barmer	70%	ONGC	3,111
2	CB/OS-2	Cambay	40%	ONGC, Tata Petrodyne	207
3	PKGM-1 (Ravva)	KG Offshore	22.5%	ONGC, Ravva Oil, Videocon	331
4	KG-ONN-2003/1	KG Onshore	49%	ONGC	315
5	KG-OSN-2009/3	KG Offshore	100%	-	1,988
6	MB-DWN-2009/1	Mumbai Offshore	100%	-	2,961
7	PR-OSN-2004/1	Palar-Pennar	35%	ONGC, Tata Petrodyne	9,417
<b>International</b>					
8	SL 2007-01-001	Mannar, Sri Lanka	100%	-	3,000
9	Block 1	Orange, South Africa	60%	Petro SA	19,898
	<b>Total</b>				<b>41,228</b>

During the quarter, we made significant advancements in our exploration and appraisal activities paving the way for future growth opportunities.

#### Rajasthan (Block RJ-ON-90/1)

- Since the re-commencement of exploration in the Rajasthan block in March 2013, we have established 1.2bn boe of hydrocarbons in-place to date relative to our 3 year drill-out target of 3 bn boe. An additional ~0.6bn boe has been discovered and is either undergoing testing or awaiting testing.
- Through FY15/16, as a result of our current drilling activities, we anticipate establishing an additional 1.2 bn boe hydrocarbons in-place achieving target volumes significantly ahead of plan.



- These new discoveries and prospect volumes will take the total Rajasthan discovered hydrocarbons in-place to over 7 billion boe. An additional un-risked prospect inventory of approximately 3 billion boe has been identified for drill-out commencing FY16.
- Ongoing 3D seismic acquisition programs are now underway in Rajasthan. We anticipate that these programs will identify additional prospects that will continue to replenish the prospect inventory.
- Exploration drilling in the proximity of the RDG field indicates the presence of a larger, multi-TCF gas resource base that comprises the Raageshwari Deep, the Guda Deep and the Guda South structures. We are currently testing an important offset well to the RDG field and have an additional 6 well program of exploration-appraisal drilling and testing over the remainder of the financial year.
- During this period, we plan a dramatic shift to appraisal, in preference to exploration drilling, aimed at accelerating 2C-2P resources-reserves conversion and monetization.
- Very high drilling success rates continue to be the norm in Rajasthan. These results continue to confirm the potential of the Barmer Basin characterized by a low-risk exploration environment unparalleled anywhere else in India.
- To date, as a result of the 2013-16 exploration and appraisal campaign, we have announced six new discoveries, currently either undergoing appraisal or appraisal planning. An additional two discoveries, namely SL-1 and NL-2, are undergoing flow testing.

During Q1 FY15, we have drilled three successful exploration and four successful appraisal wells.

- Exploration well SL-1 has successfully drilled a new Dharvi Dungar prospect and flowed at an initial vertical rate of 120bopd from the Dharvi Dungar formation.
- Exploration well NL-2 successfully drilled a Barmer Hill porcellenite play, flowing at an initial vertical rate of 100-150 bopd. We anticipate that fractured, horizontal wells within both the Barmer Hill and Dharvi Dungar Formations, together with artificial lift, will act to significantly increase well productivities and recoveries.
- These two discoveries, together with Kaam W-8, have successfully flowed hydrocarbons to surface.
- Well DP West-1 successfully appraised a fault block adjacent to the DP-1 well drilled earlier in the campaign. Together with the NL discovery, we anticipate significant volume additions in this complex whose value can be optimized through rapid tie-back to the Mangala facilities.
- Exploration well GSV-2 was a successful drill-out of a Fategarh and fractured volcanics play which we anticipate to appraise in the FY16 drilling campaign.
- Appraisal well Raag Deep SW-1 was the first of an exciting 5-well appraisal program planned for up-side realization of the existing Raag Deep Gas Field. Additional appraisal wells will follow as part of the current drilling campaign.
- Appraisal well Mangala East -2 comprised a successful down-dip evaluation of the existing Barmer Hill field at Mangala and is currently undergoing detailed evaluation.
- Well Guda S-8 was the second of an 8 well program designed to test the flanks of the existing Guda Dharvi Dungar field, significantly boosting existing 2C resources. The well encountered oil pay within the Dharvi Dungar section and is currently awaiting testing. Guda-7, the first



well in this campaign, flowed oil from the Dharvi Dungar Formation and established an oil down to deeper than previously encountered in the Guda Field.

The fifth rig dedicated to exploration and appraisal commenced drilling in this quarter. With the addition of higher capacity rigs in our drilling program, we have been able to drill two high impact prospects to test potential gas accumulation in the deeper section. The initial results obtained are encouraging and testing is ongoing.

The 3D seismic data acquisition programme for ~1,900 square kilometres that is currently underway will further help in identifying new exploration leads and augmenting the prospective resource base. As at 30<sup>th</sup> June, 2014, we have acquired 411 square kilometres of 3D seismic data.

#### **Ravva (Block PKGM-1)**

In November 2013, we commenced drilling of the 'High Temperature, High Pressure' (HTHP) deep exploration prospect LO110 in Ravva. The objective of the well was to test the hydrocarbon potential within Late Oligocene sands underlying the existing Ravva field. The well is currently awaiting logging.

#### **KG Onshore (Block KG-ONN-2003/1)**

The Declaration of Commerciality for the Nagayalanka discovery is currently under Management Committee review. The evaluation of the results of the Nagayalanka appraisal wells and extended well test is in progress with the objective of optimizing the field development plan. Nagayalanka-NW-1 encountered over 230m of sand in the Jurassic Golapali Formation and an 80m synrift section. Fracking and flow testing of the reservoir sections have been completed and the well has been temporarily suspended pending further analysis.

#### **KG Offshore (Block KG-OSN-2009/3)**

934 km<sup>2</sup> of full fold 3D seismic data has been acquired to date. Planning has begun for an additional 3D seismic programme in the remaining area, with acquisition expected to begin by end of Q3 FY 15. Exploration is focused upon building a high quality prospect inventory across multiple play types.

#### **Mumbai Offshore (Block MB-DWN-2009/1)**

2128 line km of 2D broadband seismic has been acquired. The processing contract has been awarded and is expected to begin shortly. Planning for acquisition of additional 500 square kilometres of 3D seismic data is underway.

#### **Palar-Pennar (Block PR-OSN-2004/1)**

The application for the shift of the restricted boundary has been accepted by government authorities, paving the way for resumption of exploration activity.

#### **Sri Lanka (Block SL 2007-01-001)**

In 2013, Cairn concluded appraisal and commercial studies to determine the next steps for the gas discoveries made on the block. We continue discussions with the Sri Lankan Government regarding commercial terms necessary to monetize the discovered gas resources on the block.



### South Africa (Block 1)

Initial interpretations of the 3D volumes over South Africa Block 1 indicate that the acreage contains exciting plays similar to those in offset blocks along the West African margin. A deep water oil and a shallow water gas play comprise two promising play fairways that we will work up through ongoing interpretation.

Based on the preliminary assessment of the seismic data, a working petroleum system with multiple oil and gas plays is likely. The on-going seismic processing and technical evaluation is expected to identify drillable prospects during the remainder of 2014.

### Operational Review

Average Daily Production	Units	Q1 FY 15	Q1 FY 14	y-o-y (%)	Q4 FY 14	q-o-q (%)
Total Gross operated*	Boepd	226,597	220,088	3%	232,884	(3%)
Gross operated	Boepd	217,869	212,442	3%	224,429	(3%)
Oil	Bopd	209,846	203,273	3%	215,493	(3%)
Gas	Mmscfd	48	55	(12%)	54	(10%)
Working Interest	Boepd	137,907	132,087	4%	142,796	(3%)

\* Includes internal gas consumption

Average Price Realization	Units	Q1 FY 15	Q1 FY 14	y-o-y (%)	Q4 FY 14	q-o-q (%)
Cairn India	US\$/boe	97.0	93.3	4%	94.4	3%
Oil	US\$/bbl	98.2	94.6	4%	95.7	3%
Gas	US\$/mscf	5.6	4.9	15%	6.1	(8%)

Producing Assets	Region	Operator	Participating Interest
1 RJ-ON-90/1	North Western India	Cairn India	70%
2 PKGM-1 (Ravva)	Eastern India	Cairn India	22.5%
3 CB/OS-2	Western India	Cairn India	40%



### Rajasthan (Block RJ-ON-90/1)

Average Daily Production	Units	Q1 FY 15	Q1 FY 14	y-o-y (%)	Q4 FY 14	q-o-q (%)
Total Gross operated*	Boepd	190,879	180,101	6%	198,446	(4%)
Gross operated	Boepd	183,164	173,517	6%	190,881	(4%)
Oil	Bopd	181,894	172,845	5%	189,304	(4%)
Gas	Mmscfd	8	4	89%	9	(19%)
Gross DA 1	Boepd	153,467	151,602	1%	162,245	(5%)
Gross DA 2	Boepd	29,696	21,914	36%	28,636	4%
Gross DA 3	Boepd	-	-	-	-	-
Working Interest	Boepd	128,215	121,462	6%	133,616	(4%)

\* Includes internal gas consumption

### Operations and Development

The Rajasthan Block produced ~16.7 mm barrels of oil equivalent in the quarter, achieving a cumulative total production of ~233 mmboe until the end of Q1 FY15. 34 new wells were brought on production during the quarter contributing to the Block's gross average production of 183,164 boepd. Sequential quarterly production was impacted by an unplanned outage at MPT in May 2014, resulting in reduced facility uptime of ~96%. The overall operating expense in Rajasthan continued at a low of US\$ 4.2/bbl for Q1 FY15.

Lowering of drilling cycle time and significant improvements in rig movement times are examples of our focus on operational excellence. In line with our adoption of high HSE standards, we are planning to shutdown the processing terminal for around 10 days for routine operational and statutory maintenance activity in August, 2014. This could impact the daily gross average production rate for Q2 FY15. However, we would be utilizing this opportunity to tie-in new facility enhancements related to the development projects.

An average of 182,715 bopd, amounting to ~16.6 mmbbls for the Q1 FY14-15 was sold to PSU and private refiners, across India. Gas sales during the quarter were ~8 mmscfd, amounting to total sales of ~0.7 Bscf. The average crude price realisation for the quarter was US\$ 97.5/bbl, an implied ~11.1% discount to Dated Brent.

We continue to focus on executing the major development projects in our Rajasthan Block and the related initiatives for the required facilities' enhancement.

- Gas development
  - Plan to double gas production from RDG through existing pipeline by Q4 FY15 by installing additional compressors
  - Achieved significant progress towards technical alignment with JV on the Field Development Plan for the currently producing RDG field
  - The RDG field is estimated to contain around 1-3 Tcf of hydrocarbons In-place
  - The capacity of the planned gas infrastructure considers the significant multi tcf gas resource base expected to be found in the block through the ongoing exploration program



- The front end engineering and the tendering process for the new facilities, supply of long lead items and pipeline are underway and we hope to award the major contracts in Q4 FY15.
- Enhanced oil recovery (EOR) Project including drilling campaign and facilities upgrade
  - Mangala field EOR project
    - All the major equipment required for the project has been ordered, critical equipment has reached site and installation is underway.
    - Construction of major surface facilities including the central processing facility, extended pipelines and well pad modifications has commenced.
    - Two high performance rigs have started drilling at the site, in line with the plan for ~100 additional wells required for the project.
    - On track to meet the target date for injecting first polymer in Q4 FY15.
  - Initial assessment of Alkaline Surfactant Polymer pilot at Mangala has also been successful.
    - Water cut and Oil trends suggest formation of good oil bank.
    - Performance continues to be monitored and results are being further evaluated.
  - Detailed work on Polymer flood EOR is progressing for Bhagyam and Aishwariya fields
- Barmer Hill and Satellite field development
  - We successfully undertook one of the largest fracking ever for tight oil development
    - During Q1 FY15, 3 wells including a Horizontal well were drilled and 2 re-entered.
    - All the 6 hydraulic fracking jobs undertaken during the quarter were successful with performance improving successively.
    - The last job pumped total proppant of over 250,000 lbs, with proppant concentration reaching 9.7 ppa
  - Production commenced from Mangala and Aishwariya BH fields; initial production rates encouraging in line with expectations
  - We are also working with leading global service providers to improve the technical 'know-how' and scale up our vertical and horizontal wells drilling.
  - Satellite Fields
    - Besides Raageshwari and Saraswati satellite fields, Raag-S-1 well, the 26<sup>th</sup> discovery in Rajasthan also contributed to volumes, producing over 5,400 bbls till end of June 2014.
    - NI field in DA 2 and Guda in Southern part of DA1 is targeted for production in Q2FY15.
- Salaya-Bhogat Pipeline
  - Bhogat terminal, marine facilities and the pipeline are under pre-commissioning and gas has been introduced into the Bhogat terminal.
  - This would be beneficial by adding sea route for crude evacuation giving significant access to India's refining capacity.



### Ravva (Block PKGM-1)

Average Daily Production	Units	Q1 FY 15	Q1 FY 14	y-o-y (%)	Q4 FY 14	q-o-q (%)
Total Gross operated*	Boepd	25,161	29,490	(15%)	25,303	(1%)
Gross operated	Boepd	23,940	28,253	(15%)	24,225	(1%)
Oil	Bopd	19,548	21,875	(11%)	18,846	4%
Gas	Mmscfd	26	38	(31%)	32	(18%)
Working Interest	Boepd	5,386	6,357	(15%)	5,451	(1%)

\* Includes internal gas consumption

### Operations and Development

Ravva block has been an excellent example of good reservoir management. Since inception in 1994, the Ravva block has produced more than 263 mmbbls of crude and over 332 billion cubic feet of gas, more than 2.5 times the initial resource estimates at the time the PSC was awarded.

During the quarter, the block produced 23,940 boepd supported by volumes from 3 new 4D infill wells, with a plant uptime of 99.7%. Due to the need for temporarily shut in wells as a precaution during rig movement, production of oil and gas is slightly muted in Q1 FY15 on year on year basis.

The campaign, based on the 4D seismic survey, commenced in March-14 using a mat supported jackup rig. The infill drilling campaign and prudent reservoir management are expected to sustain production levels and enhance overall recovery factor.

During the quarter, ~1.7 mmbbls of crude and ~2.4 billion scf of gas were sold, averaging 18,960 bopd of crude oil and ~26 mmscfd of gas, respectively.

### Cambay (Block CB/OS-2)

Average Daily Production	Units	Q1 FY 15	Q1 FY 14	y-o-y (%)	Q4 FY 14	q-o-q (%)
Total Gross operated*	Boepd	10,557	10,497	1%	9,136	16%
Gross operated	Boepd	10,765	10,672	1%	9,323	15%
Oil	Bopd	8,404	8,554	(2%)	7,342	14%
Gas	Mmscfd	14	13	11%	12	19%
Working Interest	Boepd	4,306	4,269	1%	3,729	15%

\* Includes internal gas consumption

### Operations and Development

Since inception in 2002, the Cambay block has produced ~20 mmbbls of crude and over 220 billion cubic feet of gas.

During the quarter, the block produced 10,765 boepd, with a plant uptime of 99.7%. Production was higher on account of successful well intervention techniques undertaken in the previous quarter. In the same period, ~1.1 mmbbls of crude oil was evacuated through sea route. With this route, there



has been an improvement in realisations as well as a reduction in distance covered to transport crude oil by road, thus reducing the safety and environment risk involved.

During the quarter, ~0.9 mmbbls of crude and ~1.3 billion scf of gas were sold averaging 9,406 bopd of crude oil and ~14 mmscfd of gas, respectively.

### **Talent and Technology Development**

During the quarter, the technical leadership team has been further strengthened with Director Exploration, Director Subsurface and Head for Integrated Engineering coming on-board to assist in the focused execution of programs. We continue our focus on investing in leaders for tomorrow with a new intake of 72 graduate & management trainees who have joined recently from established institutes like ISM, IIMs & IITs. The young talent helps us address the growing concern of the big crew change and build pipeline for future technical leadership roles.

Our focus is to continue to build on key specialist roles across verticals and to look at employer branding in a big way which will enable us to reach out to the best global talent.

### **Health, Safety, Environment and Sustainability**

We are committed to meet the highest international standards of HSE and are in the top quartile HSE performance versus our peers as per OGP report 2013. All our operating assets maintain an excellent safety culture in an endeavour to record LTI-free work performance.

LTI frequency (Lost Time Incidents per million man hours) for Q1 FY15 stands at 0.60, higher than 0.16 in FY14, driven by 9 incidents. Primary reason for increase in LTIFR is insufficient control by Contractors with respect to Safety of their employees, especially on public roads. With an objective to prevent the recurrence of such incidents, Know Your Hazard, a program to recognize hazards at work place, has been successfully launched. Communication on driving related Zero Tolerance Behaviour is being reinforced across the contractors and workforce. We also undertook several HSE awareness initiatives like Environment Week celebration across all the sites engaging our employees, contract personnel and local communities.

### **Corporate Social Responsibility**

The board approved the Corporate Social Responsibility policy as per the section 135 of the New Companies Act. In Q1 FY15, we continued to increase the reach of our local content and CSR programs. The major highlights include activities around potable water; education and vocational training, sanitation and healthcare; and enhancing farm productivity:

- 19 new ATM based RO plants were installed over the last quarter bringing the total to 34, enabling provision of safe drinking water access to 40,000 villagers.
- 120 youth were trained and linked to employment through various vocational skills training at the Cairn Enterprise Center, Barmer. Two new Satellite Skill Training Centres were



established in Guda and Baytu to increase our reach and a new center has been started with the initial batch of 30 in Viramgam.

- We continue to adopt more Government schools, 37 so far, where we are improving infrastructure, providing teachers and improving quality of education.
- Rural sanitation program under Nirmal Bharat Abhiyan has scaled to 3 Gram Panchayats and our 19 health vans continue to reach over 3 lac population across the entire Barmer District and over 130 villages.
- In livelihood enhancement for farmers the multi crop farming model has shown significant success and will be further scaled up to cater to over 500 additional farmers in this season.

Going forward the plan is to scale up our existing programs to reach each and every household in our operational area.

### Outlook

With our ongoing net capital investments program of \$3Bn through end of FY17, we remain committed to the creation of long term shareholder value.

Based on our recent exploration successes, we are confident that we will establish ~3bn boe hydrocarbons in-place, significantly ahead of schedule. With renewed focus on appraisal and development, we aim to accelerate 2C-2P resources-reserves conversion. This strategy will contribute to the advancement of reserves booking in order to achieve our stated 2P RRR target of 150% over a three year period.

We have identified significant gas potential in the block and plans are underway to advance commercialisation of discovered gas volumes. Considering the significant potential of the Rajasthan asset, we continue to focus on other major development projects to enhance recovery and achieve a 3 year production CAGR of 7-10% from known discoveries with flat production in FY15.



### Cairn India Limited Fact Sheet

On 9 January, 2007, Cairn India Limited was listed on the Bombay Stock Exchange and the National Stock Exchange of India. Cairn India is now part of the Vedanta Group, a globally diversified natural resources group.

Cairn India is headquartered in Gurgaon in the National Capital Region. The Company has operational offices in India including Andhra Pradesh, Gujarat, Rajasthan, Tamil Nadu and International offices in Colombo and London.

Cairn India is one of the largest independent oil and gas exploration and production companies in India. Together with its JV partners, Cairn India accounts for around one fourth of India's domestic crude oil production. Average gross operated production was 217,869 boepd in Q1 FY 15. The Company sells its oil to major refineries in India and its gas to both PSU and private buyers.

The Company has a world-class resource base, with interest in seven blocks in India, one in Sri Lanka and one in South Africa. Cairn India's resource base is located in four strategically focused areas namely one block in Rajasthan, two on the west coast of India, five on the east coast of India (including one in Sri Lanka) and one in South Africa.

The blocks are located in the Barmer Basin, Krishna-Godavari Basin, the Palar-Pennar Basin, the Cambay Basin, the Mumbai Offshore Basin, the Mannar Basin and Orange Basin.

Cairn India's focus on India has resulted in a significant number of oil and gas discoveries. Cairn India made a major oil discovery (Mangala) in Rajasthan in the north west of India at the beginning of 2004. To date, thirty three discoveries have been made in the Rajasthan block RJ-ON-90/1 and the exploration and appraisal drilling campaign is targeting over 3 billion barrels of gross oil in place resources.

In Rajasthan, Cairn India operates Block RJ-ON-90/1 under a PSC signed on 15 May, 1995 comprising of three development areas. DA 1 (1,859 km<sup>2</sup>) includes discoveries namely Mangala, Aishwariya, Raageshwari and Saraswati, DA 2 (430 km<sup>2</sup>), includes the Bhagyam and Shakti fields and DA 3 (822 km<sup>2</sup>) comprising of the Kaameshwari West Development Area, is shared between Cairn India and ONGC, with Cairn India holding 70% and ONGC having exercised their back in right for 30%.

The total resource base supports a long term vision to produce 300,000 boepd, subject to exploration success, further development investments and regulatory approvals.

In Andhra Pradesh and Gujarat, Cairn India on behalf of its JV partners operates two processing plants, 11 platforms and more than 200 km of sub-sea pipelines with a production of over 34,000 boepd as of Q1 FY 15.

Block SL-2007-01-001 was awarded to Cairn Lanka in the bid round held in 2008. This offshore block is located in the Gulf of Mannar. The water depths range from 400 to 1,900 meter. The signing of the Petroleum Resources Agreement (PRA) to explore oil and natural gas in the Mannar Basin was held in July 2008 in Colombo.

The farm-in agreement was signed with PetroSA on 16 August, 2012 in the 'Block-I' located in Orange basin, South Africa. The block covers an area of 19,898 sq km. The assignment of 60% interest and operatorship has been granted by the South African regulatory authorities.

India's gross imports of crude oil stood at 3.8\* million bopd in 2013. India's domestic crude oil production for FY2013-14 was approximately 0.76\*\* million bopd of which Cairn India operated assets (Ravva, CB/OS-2 and the RJ-ON-90/1) contributed ~28%.

For further information on Cairn India Limited, kindly visit [www.cairnindia.com](http://www.cairnindia.com)

\*BP Statistical Review of World Energy 2014

\*\*MoPNG March 2014 production statistics



Corporate Glossary	
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Cairn India	Cairn India Limited and/or its subsidiaries as appropriate
Company	Cairn India Limited
Cairn Lanka	Refers to Cairn Lanka (Pvt) Ltd, a wholly owned subsidiary of Cairn India
Cash EPS	PAT adjusted for DD&A, impact of forex fluctuation, MAT credit and deferred tax
CFFO	Cash Flow from Operations includes PAT (excluding other income and exceptional item) prior to non-cash expenses and exploration costs.
CPT	Central Processing Terminal
CY	Calendar Year
DoC	Declaration of Commerciality
E&P	Exploration and Production
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation includes forex gain/loss earned as part of operations
EPS	Earnings Per Share
FY	Financial Year
GBA	Gas Balancing Agreement
GoI	Government of India
GoSL	Government of Sri Lanka
Group	The Company and its subsidiaries
JV	Joint Venture
MC	Management Committee
MoPNG	Ministry of Petroleum and Natural Gas
NELP	New Exploration Licensing Policy
ONGC	Oil and Natural Gas Corporation Limited
OC	Operating Committee
PRA	Petroleum Resources Agreement
PPAC	Petroleum Planning & Analysis Cell
qoq	Quarter on Quarter
SL	Sri Lanka
Vedanta Group	Vedanta Resources plc and/or its subsidiaries from time to time
yoy	Year on Year

Technical Glossary	
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2P	Proven plus probable
3P	Proven plus probable and possible
2D/3D/4D	Two dimensional/three dimensional/ time lapse
Boe	Barrel(s) of oil equivalent
Boepd	Barrels of oil equivalent per day
Bopd	Barrels of oil per day
Bscf	Billion standard cubic feet of gas
Tscf	Trillion standard cubic feet of gas
EOR	Enhanced Oil Recovery
FDP	Field Development Plan
MDT	Modular Dynamic Tester
Mmboe	million barrels of oil equivalent
Mmscfd	million standard cubic feet of gas per day
Mmt	million metric tonne
PRDS	Petroleum Resources Development Secretariat
PSU	Public Sector Utilities
PSC	Production Sharing Contract

Field Glossary	
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Barmer Hill Formation	Lower permeability reservoir which overlies the Fatehgarh
Dharvi Dungar	Secondary reservoirs in the Guda field and is the reservoir rock encountered in the recent Kaameshwari West discoveries
Fatehgarh	Name given to the primary reservoir rock of the Northern Rajasthan fields of Mangala, Aishwariya and Bhagyam
Mannar Basin	Located in the Gulf of Mannar, situated on the NE shallow continental shelf of Sri Lanka
MBARS	Mangala, Bhagyam, Aishwariya, Raageshwari, Saraswati
Thumbli	Youngest reservoirs encountered in the basin. The Thumbli is the primary reservoir for the Raageshwari field

### Disclaimer

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