For Immediate Release

31 March 2008

Cairn India Limited (Consolidated) financial results of 2007

The following commentary is provided in respect of the audited financial results and operational achievements of Cairn India Limited and its subsidiary companies (referred to as "Cairn India") during 2007.

OPERATIONAL

- Rajasthan on track for first commercial production H2 2009
- Resource potential to support plateau of 175,000 bopd from Mangala, Bhagyam and Aishwariya (MBA) fields in Rajasthan
- MBA Enhanced Oil Recovery (EOR) resource potential >300 million barrels (mmbbls)
- EOR field pilot planned for 2009
- Rajasthan small and tight field (low permeability) potential - 1.7 billion barrels of oil equivalent (boe) in place
- Rajasthan Upstream and Midstream development costs from 2008 to end 2009 $1.8 billion
- All Indian assets -growing resource base of > 800 million (boe) net
- Exploration portfolio provides exposure to net unrisked recoverable resources of > 1 billion boe
- Bids submitted for offshore acreage in Sri Lanka
- 15 exploration/appraisal wells planned in 2008 plus 6 seismic surveys

CORPORATE

- Cairn India $625 million private placement

FINANCIAL

The gross production of the operating units for 2007 was 73,188 boepd and for Q4 2007 was 65,331 boepd. The 2007 working interest production was 18,698 boepd and for Q4 2007 was 16,370 boepd

"Cash flow from operations", worked out as profit after tax prior to non-cash expenses (non-cash employee cost, depreciation, depletion, amortisation and deferred tax) and exploration cost, was Rs. 7,828 million (US$ 189 million) for the year 2007 and for Q4 was Rs 1,465 million (US$ 37 million)

Cash (net of borrowings) available as at 31 December 2007 was Rs. 17,386 million (US$ 441 million)

The consolidated revenue of Cairn India Limited and its subsidiaries for the year ended 31 December 2007 was Rs. 10,122 million (US$ 245 million) and for Q4 2007 was Rs. 2,667 million (US$ 68 million)

The average oil price realisation in 2007 was US$ 74.5 /bbl and for Q4 2007 was US $ 90.2 /bbl. The gas price realisation in 2007 was US$ 4.13/mscf and for Q4 2007 was 3.63/mscf).

Average price realisation per boe was US$ 54.62 in 2007 and for Q4 2007 was US$ 68.11

The consolidated Profit before tax for 2007 was Rs. 1,259 million (US$ 31 million) and for Q4 2007 was Rs. 205 million (US$ 5 million)

The consolidated Loss after providing for tax (including deferred tax and FBT) for 2007 was Rs. 245 million (US$ 6 million) and for Q4 2007 was Rs. 139 million (US$ 3 million)

The financial results for the year on a consolidated basis considers certain provisions as follows:

- Fringe Benefit Tax provided on a conservative basis on ESOP's given to employees, though payable in future at the time of exercise : Rs 320 million (US$ 8 million)
- Deferred tax provision of Rs 746 million(US $ 18 million), arising mainly on account of certain exploration and development expense which is 100% allowable for tax purposes in the year in which it is incurred, but depleted / depreciated in the books of accounts from the year of production

Tax (including current tax and deferred tax) is calculated at entity level and not on a consolidated basis; losses arising within one jurisdiction are not available for offset against profits arising in another

Amounts shown in US$ are converted based on an average exchange rate for the year 2007 of 41.34 and a closing exchange rate as at 31st Dec 2007 of 39.40. The average exchange rate for Q4 2007 was 39.43

Rahul Dhir, Chief Executive said:

"All of the major contracts for the midstream and upstream developments in Rajasthan have been awarded and work is progressing well towards first Mangala oil in H2 2009

We are increasingly confident about the scale of the resource base in Rajasthan. We firmly believe that a plateau production of 175,000 bopd is now achievable with the potential for higher rates and more value optimisation should the encouraging tests on enhanced oil recovery be confirmed in the field trials.

Cairn India has the capacity to drive forward the Rajasthan development and the financial flexibility to pursue opportunities for growth."

Cairn India

In its first year of listing on the Bombay and National Stock Exchanges, Cairn India has been confirmed as one of the key oil and gas exploration companies in India. Across all assets in India the total reserves and resources net to Cairn India is more than 800 million boe.

In Rajasthan, construction activities have started on both the upstream and midstream projects with first commercial production from Mangala planned to commence in the second half of 2009.

Rajasthan is a major resource base and the Joint Venture partners are focused on realising the full potential through conventional and enhanced oil recovery techniques. The size and scale of the overall potential value opportunity in the basin continues to grow, offering scope for further significant optimisation. This would also translate into a significant growth in operating cash flows, thereby demonstrating value for all Cairn India stakeholders.

While Cairn India remains focused on delivering the Rajasthan project, and growing its core upstream business, there are significant opportunities in other areas in the oil and gas value chain, where it can leverage its existing strengths and skill base. The energy sector in India offers tremendous value creation potential and Cairn India has an active new business unit which is currently evaluating a number of these exciting opportunities.

CHIEF EXECUTIVE'S REVIEW

Cairn India

Rajasthan Upstream

The integrated upstream and midstream development is on course to produce first oil from Mangala in the second half of 2009. Cairn India is totally focussed on delivering this goal.

All major civil and construction contracts have been awarded, long lead time items have been procured and work on both the upstream and midstream are well underway.

Our confidence in the ability of the Rajasthan fields to produce more than initially anticipated has grown as the reserves base has increased. The 2P gross reserves and resources from the three main MBA fields have increased 9% to 685 mmbbls (479 mmbbls net). The other Rajasthan fields and the low permeability Barmer Hill fields have a gross 2P in place estimate of 1.7 billion boe reinforcing the scope for continued resource growth.

The Mangala Stock Tank Oil Initially in Place (STOIIP), reserves and resources have been upgraded. The increase in the 2P STOIIP and 2P Reserves and Resources is 21% and 29% respectively over the original Field Development Plan (FDP).

Subject to regulatory approval, the latest Field Development Plans for the three main fields assume a sustainable peak plateau production of 175,000 bopd: Mangala 125,000 bopd, Bhagyam 40,000 bopd and Aishwariya 10,000 bopd.

Laboratory trials have been very encouraging and have confirmed the further potential of chemical EOR techniques. The current assessment of the EOR resource base is more than 300 mmbbls of incremental recoverable oil from Mangala, Bhagyam and Aishwariya. The first EOR field trials will take place in 2009.

Rajasthan Midstream

The Government of India (GoI) has agreed to grant Rights of Use (RoU) for the pipeline in order to meet the planned schedule. The front end engineering and design (FEED) has already been completed as has the procurement process for most of the long lead items.

Pipeline construction work will commence on site in H2 2008, with the completion of Phase I of the pipeline from Barmer to the intermediate pumping station at Viramgam scheduled for early 2009.

The proposed routing of the pipeline will allow access to an extensive existing pipeline infrastructure and refinery network, with a final coastal delivery point that also affords access to the majority of India's refining capacity.

Rajasthan Costs

The increase in the Mangala resource potential has instigated an ongoing review to optimise the scale and schedule of the Rajasthan development with a view to achieving higher levels of production. This review is also addressing ways of mitigating the impact of the increasing cost challenges on the project, which have been driven by the general demand for engineering resources and materials in the industry. At this stage, all major civil and construction contracts have been awarded and long lead time items ordered providing market information on costs. Based on this information, the estimated cost of the upstream development to the end of 2009 is approximately $1.8 billion gross of which Cairn India's share is 70%. The current estimated pipeline cost is approximately $800 million gross. Revised cost estimates will be available by mid-2008 by which time the majority of contracts for the development will be in place.

Ravva and CB/OS-2

The development drilling campaigns in Ravva and CB/OS-2 have been successful with production on stream from the new wells. These two assets have been and continue to be the bedrock of the development of Cairn in India – it is especially important in a time of high oil prices that we maximise the value that these assets generate.

OPERATIONAL REVIEW

Rajasthan (Block RJ-ON-90/1) (Cairn India 70% (Operator); ONGC 30%)

Development - Upstream

Good progress is being made on the civil works and process facilities construction contracts which have been awarded for the Rajasthan upstream project. All access roads to the four hundred acre site have been built and work on the civil works on the Mangala terminal has started.

Mangala will be brought on stream in phases with production commencing in H2 2009. The transportation of the crude will be via pipeline to the coast for which the FEED are complete. The long lead procurement process is underway and construction is due to commence in H2 2008.

The construction of two purpose built rigs which will be used to drill the development wells is nearing completion and these rigs will be available in India in the second half of the year. These state-of-the-art rigs will allow the drilling and completing of the Mangala wells (some of which will be horizontal), which Cairn India intends to use to deliver the first phase of production from the Rajasthan fields.

A 120 km^2 high definition 3D seismic survey was completed over the Mangala field and processing of the data is expected to be complete during 2008. This data will be used for more detailed reservoir characterisation for development drilling and for the application of future time lapse monitoring techniques.

An upgrade of the Mangala STOIIP and reserves and resources has been submitted to the Joint Venture partners and the GoI. The increase in the 2P STOIIP and 2P Reserves and Resources is 21% and 29% respectively over the original FDP. This represents an increase of 8% percent and 11 % over the figures provided at the time of the IPO of the Indian business. The increased resource in the Mangala field provides a commensurate increase in the production potential of the Mangala field. The Mangala field is capable of producing at plateau rates of up to 125,000 bopd. This represents an increase of up to 25% on the Mangala production rate contained in the original FDP submitted in 2005.

The FDP for Bhagyam, the second largest field in the block, is pending final approval on the basis of a planned plateau production rate of 40,000 bopd. The Bhagyam and Shakti fields are contained within a second Development Area of 430 km^2.

The Aishwariya FDP, which has already received GoI approval, has a planned plateau production rate of 10,000 bopd. An upgrade of the Aishwariya 2P STOIIP has been submitted to the Joint Venture and the GoI in January 2008. This represents an increase of 37% and 17% over the figures provided at the time of the FDP and IPO respectively. It is expected that this upgrade in STOIIP will also result in a commensurate increase in the field reserves.

Enhanced Oil Recovery (EOR)

Cairn is currently studying the staged and early application of aqueous-based chemical flooding EOR techniques for the MBA fields. Early application of EOR in these fields would be designed to extend their crude oil production plateau periods, reduce water production, mitigate future decline rates and potentially accelerate crude oil production.

The first phase of laboratory studies for the Mangala field was successfully concluded in January 2007. The coreflood data have been successfully matched in a reservoir simulator allowing full field simulation of polymer and alkaline-surfactant-polymer flooding. A pilot for polymer and ASP flooding for the Mangala field has also been conceptualised, and approvals will be sought in 2008 from the Joint Venture partners and the GoI to commence the pilot following commencement of production from the field in 2009.

The current assessment of the EOR resource base is more than 300 mmbbls of incremental recoverable oil from Mangala, Bhagyam and Aishwariya. If the Mangala field pilot is successful it is envisaged that EOR could be introduced at a field scale in Rajasthan in 2013 or even earlier, commencing in Mangala, and that an increase in plateau offtake will be considered on a field by field basis.

The first phase of laboratory work for the Bhagyam field has also been successfully completed.

The second phase of laboratory work for the Mangala field has commenced which is designed to confirm and refine chemical selection for the pilot project.

Northern Appraisal Area (Cairn India 100%)

A Declaration of Commerciality (DoC) for the three discoveries made in this area (Kameshwari West 2, 3 and 6) has been approved by the Joint Venture partners, along with a proposed new Development Area of 1,178 km^2. The DoC is now awaiting approval from the GoI.

These three discoveries have opened up a new play in the Barmer Hill/Lower Dharvi Dungar sands on the western margin of the Rajasthan basin.

Development-Midstream

Work on the midstream is progressing well with key orders placed.

The contracts to ensure timely construction of the pipeline in 2009 have been placed. The contracts for the line pipe, with tracer tube and insulation, and for the Skin Effect Heat Management System have been awarded. The orders for gas engines for the heating stations, export pumps and drivers and main block valves have also been awarded.

The Engineering Procurement Contract (EPC) for the pipeline has been issued, as has the EPC Contract for land development of the Viramgam Terminal. Site preparation work commenced at the Viramgam Terminal site in mid February 2008.

Obtaining access to the land on which the pipeline will be built is well advanced under the RoU process in Gujarat and Rajasthan.

The land for all eight heating stations in Rajasthan and ten stations in Gujarat along the route of the pipeline has been purchased, as well as land for the Viramgam Terminal.

Discussions are ongoing with the GoI regarding the potential inclusion of the midstream infrastructure within the FDP for cost recovery purposes.

Exploration Overview Rajasthan and other assets

Exploration and appraisal activity in 2007 included the drilling of 13 wells and acquisition of 1,345km^2 3D and 588 km 2D seismic data. Preliminary estimates of successful 2P reserve and resource additions are 6.9 mmboe on a working interest basis and represent approximately 101% of 2007 working interest production. Constant re-evaluation of Cairn India's prospects and leads portfolio, plus the addition of NELP VI blocks, PR-OSN-2004/1 and KK-DWN-2004/1 has resulted in a cumulative unrisked prospective resource of 1,033 mmboe, excluding the prospects drilled in 2007.

Oil and gas discoveries were made in the Northern Appraisal Area (NAA) in Rajasthan and in both the Ravva and Lakshmi Fields.

The 2008 exploration programme includes the drilling of 15 wells, seven of which will be operated by Cairn India and the acquisition of three onshore 2D seismic surveys a 200 km^2 onshore 3D survey and two offshore 2D surveys comprising 6,150 km, all but one of which will be operated by Cairn India. The 2008 seismic acquisition will position Cairn India for an extensive drilling programme in 2009.

Five wells are expected to be drilled in RJ-ON-90/1 from the third quarter of 2008, including appraisal of the 2003 Kameshwari Discovery and drilling of under-explored plays within the basin. An important well in GV-ONN-2002/1, in the state of Bihar, will test the potential of this part of the frontier Ganga Basin.

Cairn India continues to invest a substantial amount of effort into exploration new ventures. Two bid applications for blocks in the Sri Lanka bid round have been submitted. The company is also actively evaluating the blocks available in India as part of the NELP VII Round, which is expected to close in April 2008.

Cambay Basin - Western India

Block CB/OS-2: (Cairn India 40% (Operator))

In the CB/OS-2 block the Lakshmi, Gauri and CB-X fields are primarily gas producing, averaging a combined 50.0 mmscf/d sales gas rate. Oil/condensate production averaged 4,407 bopd during 2007 – this combines to total average field production of 12,746 barrels of oil equivalent per day (boepd). CB/OS-2 oil production reached a daily record of more than 10,000 bopd gross in February 2008.

In September 2007 a drilling campaign began in CB/OS-2 with four wells successfully drilled and completed as part of the further development of the Lakshmi and Gauri fields. By February 2008 all of these wells have been placed on production. Three well

workovers aimed at restoring production in wells with mechanical problems or allowing access to other hydrocarbon pools were also successfully completed.

The oil potential of the Lakshmi and Gauri fields was recognised during their appraisal and earlier development phases, with several wells encountering and testing oil columns. An appraisal well LA East South-1 was drilled. The well which intersected water bearing sands with traces of oil was plugged and abandoned.

CB-ONN-2002/1 (Cairn India 30% (ONGC Operator))

A three well drilling programme is expected to commence in 2008.

Krishna-Godavari Basin - Eastern India

Ravva (Cairn India 22.5% (Operator))

Average gross production from the Ravva field for 2007 was 60,441 boepd (comprising average oil production of 48,078 bopd and average gas production of 74.18 mmscfd).

The Ravva field now has a history of production of more than 14 years. An infill drilling campaign commenced in the field in October 2006, which was aimed at extending the plateau and adding reserves. The Ravva field has been producing at its plateau rate of approximately 50,000 bopd for eight years and it is anticipated that the infill development will help to maintain the plateau and/or minimise decline. The recent infill campaign, in which four new producers and three new injectors have been drilled, has been successful in meeting the desired objectives.

Production has now commenced from the four new infill wells. In addition, two water injection wells have been put into service to enhance the reservoir water-flood scheme, while the third is planned to start injection in March 2008. Two well workovers were also completed.

Based on the results of three exploration/appraisal wells, two discovery notifications were issued to the GoI. The first well RX-10 encountered gas but in sub-commerical quantities. The RX-8 exploration well found oil and gas in four Miocene reservoirs. The total hydrocarbon-bearing sands intersected in four pay zones extend to 44 metres net. A further well RB-4 was drilled to appraise the extent of this discovery and a series of thin sands were completed in this well for future production.

KG-ONN-2003/1 (Cairn India 49% (Operator – exploration phase))

The acquisition of a 500 km 2D seismic programme commenced in January 2008 to be followed by the acquisition of a 200km^2 3D programme. Planning has commenced in support of drilling between three and five exploration wells from the beginning of 2009.

KG-DWN-98/2 (Cairn India 10% (ONGC Operator))

The Joint Venture has approved a three well appraisal programme for 2008, together with additional 3D seismic acquisition. Discussions with the GoI continue with respect to approval of an appraisal period under the PSC for appraisal of the discoveries made in the block to date.

PR-OSN-2004/1 (Cairn India 35%, (Operator))

The acquisition of an offshore 3,100 km 2D seismic programme commenced in March 2008.

Ganga Basin- Northern India

GV-ONN-2002/1 (Cairn India 50% (Operator) Capricorn 50%)

An exploration well on this PSC will be drilled in 2009. Full environmental approvals are expected shortly and site construction is expected to be completed early in the third quarter.

GV-ONN-97/1 (Cairn India 15% Capricorn 15% (ONGC, Operator))

A well, Banda-1, was spudded at the end of 2007 and was still operating at 31 March 2008.

GV-ONN-2003/1 (Cairn India 49% (Operator – exploration phase) Capricorn 25%)

The acquisition of a 550 km 2D seismic programme is expected to commence in 2008.

Rest of India

VN-ONN-2003/1 (Cairn India 49% (Operator – exploration phase))

The acquisition of a 500 km 2D seismic programme is expected to commence in 2008.

RJ-ONN-2003/1 (Cairn India 30% (ENI Operator))

At least one well is expected to be drilled in 2008.

KK-DWN-2004/1 (Cairn India 40% (ONGC, Operator))

A 3,500 km 2D seismic programme is expected to be acquired in 2008.

Cairn India Limited

Consolidated Financial Results

Registered Office : 101, West View, Veer Savarkar Marg, Prabhadevi, Mumbai 400025

Corporate Office : 3rd & 4th Floors, Vipul Plaza, Sun City, Sector 54, Gurgaon 122 002

Audited Financial Results for the year ended 31 December 2007

(All amounts are in thousands of Indian Rupees, unless otherwise stated)

S.No	Particulars	Current accounting year ended	Previous accounting period ended

		31 December 2007 (Audited)	31 December 2006 (Audited)
1	Income from Operations	10,122,627	387,417
2	Other Income	1,324,089	62,215
3	**Total Income (1+2)**	**11,446,716**	**449,632**
4	Total Expenditure		
a)	(Increase)/Decrease in stock-in-trade	(111,714)	28,898
b)	Operating expenses	1,945,812	53,119
c)	Employees cost	1,257,398	361,126
d)	Depreciation, Depletion, Amortisation & Site Restoration expenses	2,077,056	61,226
e)	Other expenditure - administration cost	359,595	8,579
f)	Exploration cost	2,512,282	59,481
g)	Foreign exchange fluctuation	2,120,011	4,588
h)	Total	**10,160,441**	**577,017**
5	Interest and Finance cost	27,049	2,746
6	Exceptional items	-	-
7	**Profit /(Loss) from ordinary activities before tax (3) - (4+5+6)**	**1,259,226**	**(130,131)**
8	Provision for taxation		
a)	Current Tax	387,756	11,777
b)	Deferred Tax	764,194	43,861
c)	Fringe benefit Tax	352,719	789
9	**Net Profit/(Loss) from ordinary activities after tax (7-8)**	**(245,442)**	**(186,558)**
10	Extraordinary Items (net of tax)	-	**-**
11	**Net Profit/(Loss) for the period (9-10)**	**(245,442)**	**(186,558)**
12	Minority Interest	-	25,184
13	**Net Profit/(Loss) for the period after Minority Interest (11-12)**	**(245,442)**	**(211,742)**
14	Paid-up Equity Share Capital (Face value of Rs. 10 each)	17,783,994	17,653,144
15	Reserves excluding Revaluation Reserves	276,084,115	275,017,837
16	Profit/(Loss) per Share (par value Rs. 10 each)		
	(a) Basic and diluted before extraordinary items	(0.14)	(0.68)
	(b) Basic and diluted after extraordinary items	(0.14)	(0.68)
17	Public Shareholding		
	- Number of shares	551,555,629	571,470,588
	- Percentage of shareholding	31.01%	32.37%

Notes :

1 The above financial results w ere review ed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 31 March 2008.

2 Previous period figures relate to the period from August 21, 2006 (the date of incorporation of the Company) to December 31, 2006, accordingly, these figures are not comparable. Previous period's figures have been regrouped w here necessary to confirm to this year's classification.

3 The Company acquired majority ow nership of Cairn India Holdings Limited and its subsidiaries on 20 December 2006, subsequently on 29 December 2006 acquired 100% ow nership of Cairn India Holdings Limited. The audited consolidated financial results for the year ended 31 December 2006 as indicated above, incorporate the results of Cairn India Holdings Limited and its subsidiaries during the period that these Companies w ere subsidiaries of CIL, i.e., for the period from 20 December 2006 to 31 December 2006.

4 The Company and its subsidiaries operate in only one segment i.e. "Oil and Gas Operations"

5 During the current year, the strengthening of the Indian Rupee against US Dollar has resulted in recognition of foreign exchange fluctuation loss of Rs. 2,120,011 thousands arising mainly on account of the deposits held in US Dollar by the foreign subsidiaries, w hich is intended to be used for capital imports.

6 The current tax and deferred tax provisions have been computed on the basis of standalone financials of those foreign subsidiaries, w hich have operations in India i.e. not based on consolidated financials of Cairn India Limited and all its subsidiaries.

7 During the current year, the Company has w ritten off Rs.2,512,282 thousands on account of exploration costs as per the "Guidance Note on Accounting for Oil and Gas Producing Activities" issued by the Institute of Chartered Accountants of India, out of w hich Rs.2,140,626 thousands pertain to geological/ geophysical studies, seismic and other surveys, and balance of Rs.371,656 thousands pertains to unsuccessful w ells w ritten off.

		For and on behalf of the Board
Place :	**Gurgaon**	**Indrajit Banerjee**
Date :	**31 March 2008**	**Executive Director and Chief Financial Officer**

Cairn India Limited

Registered Office : 101, West View , Veer Savarkar Marg, Prabhadevi, Mumbai 400025

Corporate Office : 3rd & 4th Floors, Vipul Plaza, Sun City, Sector 54, Gurgaon 122 002

Audited Financial Results for the year ended 31 December 2007

(All amounts are in thousands of Indian Rupees, unless otherw ise stated)

S.No	**Particulars**	**Current accounting year ended 31 December 2007 (Audited)**	**Previous accounting period ended 31 December 2006 (Audited)**
1	Income from Operations	12,708	-
2	Other Income	326,915	59,065
3	**Total Income (1+2)**	**339,623**	**59,065**
4	Total Expenditure		
a)	Increase/Decrease in stock-in-trade	-	-
b)	Operating expenses	-	-
c)	Employees cost	623,374	345,962
d)	Depreciation, Depletion, Amortisation & Site Restoration expenses	-	-
e)	Other expenditure - administration cost	174,838	3,630
f)	Exploration cost	8,879	-
g)	Foreign exchange fluctuation	-	-
h)	Total	**807,091**	**349,592**
5	Interest and Finance cost	209	1,714
6	Exceptional items	-	-
7	**Profit /(Loss) from ordinary activities before tax (3) - (4+5+6)**	**(467,677)**	**(292,241)**
8	Provision for taxation		
a)	Current Tax	-	-
	Deferred Tax	-	-
c)	Fringe benefit Tax	320,489	-
9	**Net Profit/(Loss) from ordinary activities after tax (7-8)**	**(788,166)**	**(292,241)**
10	Extraordinary Items (net of tax)	-	**-**
11	**Net Profit/(Loss) for the period (9-10)**	**(788,166)**	**(292,241)**
12	Paid-up Equity Share Capital (Face value of Rs.10 each)	17,783,994	17,653,144
13	Reserves excluding Revaluation Reserves	276,084,115	275,017,837
14	Profit/(Loss) per Share (par value Rs. 10 each)		
a)	Basic and diluted before extraordinary items	(0.44)	(0.94)

b)	Basic and diluted after extraordinary items	(0.44)	(0.94)
15	Public Shareholding		
	- Number of shares	551,555,629	571,470,588
	- Percentage of shareholding	31.01%	32.37%

Notes :

1 The above financial results w ere review ed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 31 March 2008.

2 Previous period figures relate to the period from August 21, 2006 (the date of incorporation of the Company) to December 31, 2006, accordingly, these figures are not comparable. Previous period's figures have been regrouped w here necessary to confirm to this year's classification.

3 The Company operates in only one segment i.e. "Oil and Gas Operations"

4 The stock options outstanding as on 31 December 2007 w ere 7,506,473 options under Cairn India Senior Management Plan 2006 ("CISMP"), 4,755,244 options under Cairn India Performance Option Plan 2006 ("CIPOP") and 8,545,710 options under Cairn India Employees Stock Option Plan 2006 ("CIESOP"). During Q4 2007, the Company has cancelled 792,240 stock options under CISMP scheme. Employees cost for the year includes Rs.602,025 thousands representing amortisation of employee compensation expenses pertaining to these stock option schemes.

5 The Finance Act, 2007 requires payment of Fringe Benefit Tax ("FBT"), on Employee Share Options benefit provided to employees, on the date w hen options are exercised by employees based on fair market value on the date of vesting of such options. Till September 30, 2007, the management w as of the view that the obligating event occurs at the time of exercising such options and no accrual for such FBT is required until the time of exercising, w hen actual liability arises. How ever, in last quarter of 2007, the management has decided to follow a conservative approach and though, no options have been exercised by employees till year end, the Company has made a provision of Rs.320,234 thousands in Q4 2007, based on the market price of its equity shares as on December 31, 2007 as best available estimate on the balance sheet date.

6 The number of investors' complaints received and disposed of during the quarter ended 31 December 2007 w ere as follow s-

a)	Pending at the beginning of the quarter	41
b)	Received during the period	336
c)	Disposed of during the period	344
d)	Pending at the end of the quarter	33

7 As on 31 December 2007, the Company and its subsidiaries together have utilised Rs. 71,682,135 thousands for the purposes listed in the Prospectus, as against the projected utilisation of Rs.88,248,900 thousands. The funds utilised till 31 December 2007 w ere as follow s-

		Rupees in thousands
a)	Acquisition of shares of Cairn India Holdings Limited from Cairn UK Holdings Limited	59,580,837
b)	Exploration and Development expenses	10,411,239
c)	General corporate purposes	90,440
d)	Issue expenses	1,599,619

For and on behalf of the Board

Place **Gurgaon**
Date **31 March 2008**

Indrajit Banerjee
Executive Director and Chief Financial Officer

Enquiries to:

Analysts/Investors

Anurag Mantri, Investor Relations Manager +919810301321

Media

David Nisbet, Director, Corporate Communications
+91 99104 87715

About Cairn India Limited

- "Cairn India" w here referred to in the release means Cairn India Limited and/or its subsidiaries, as appropriate.

- "Cairn" where referred to in this release means Cairn Energy PLC and/or its subsidiaries (including Cairn India), as appropriate.
- Cairn India is headquartered in Gurgaon on the outskirts of Delhi, with operational offices in Chennai, Gujarat, Andhra Pradesh and Rajasthan.
- On 9 January 2007, Cairn successfully concluded the flotation of its Indian business with the commencement of trading of Cairn India Limited on the Bombay Stock Exchange and the National Stock Exchange of India. Cairn Energy PLC currently holds a 69% shareholding in Cairn India Limited.
- Cairn India is currently focused on exploration and production in India where it has a working interest in 14 blocks, two of which are producing hydrocarbons. The company holds material exploration and production positions in west India and east India along with new exploration rights elsewhere in India.
- This focus on India has already resulted in a significant number of oil and gas discoveries. In particular, Cairn made a major oil discovery (Mangala) in Rajasthan in the north west of India at the beginning of 2004. More than 20 discoveries have been made in Rajasthan block RJ-ON-90/1.
- In Rajasthan, Cairn India operates Block RJ-ON-90/1 under a Production Sharing Contract (PSC) signed on 15 May 1995. The main Development Area (1,858 km^2), which includes Mangala, Aishwariya, Saraswati and Raageshwari; is shared between Cairn India and ONGC, with Cairn India holding 70% and ONGC having exercised their back in right for 30%. A further Development Area (430 km^2), including the Bhagyam and Shakti fields, is also shared between Cairn India and ONGC in the same proportion.
- The Operating Committee for Block RJ-ON-90/1 consists of Cairn India and ONGC.
- India currently imports approximately 2,000,000 barrels of oil per day (bopd). It produces approximately 700,000 bopd itself of which approximately 50,000 bopd comes from the Cairn India operated Ravva field on the east coast of India
- For further information on Cairn India Limited see www.cairnindia.com

Technical

2P	proven plus probable
3P	proven plus probable and possible
2D/3D	two dimensional/three dimensional
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
EOR	enhanced oil recovery
FDP	field development plan
mmboe	million barrels of oil equivalent
mmscfd	million standard cubic feet of gas per day
PSC	production sharing contract

The Fatehgarh is the name given to the primary reservoir rock of the Northern Rajasthan fields of Mangala, Aishwariya and Bhagyam.

The Barmer Hill is a lower permeability reservoir which overlies the Fatehgarh.

The Dharvi Dungar forms the secondary reservoirs in the Guda field and is the reservoir rock encountered in the recent Kameshwari West discoveries.

The Thumbli forms the youngest reservoirs encountered in the basin. The Thumbli is the primary reservoir for the Raageshwari field.

These materials contain forward-looking statements regarding Cairn India, our corporate plans, future financial condition, future results of operations, future business plans and strategies. All such forward-looking statements are based on our management's assumptions and beliefs in the light of information available to them at this time. These forward-looking statements are, by their nature, subject to significant risks and uncertainties and actual results, performance and achievements may be materially different from those expressed in such statements. Factors that may cause actual results, performance or achievements to differ from expectations include, but are not limited to, regulatory changes, future levels of industry product supply, demand and pricing, weather and weather related impacts, wars and acts of terrorism, development and use of technology, acts of competitors and other changes to business conditions. Cairn India undertakes no obligation to revise any such forward-looking statements to reflect any changes in Cairn India's expectations with regard thereto or any change in circumstances or events after the date hereof. Unless otherwise stated the reserves and resource numbers within this presentation represent the views of Cairn India

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