CAIRN INDIA LIMITED
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For Immediate Release **27 May 2010**

Cairn India Limited
Consolidated Financial Results
For the twelve month period ended 31 March 2010

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 the financial year 2009-10. Please note that the financial year 2009-10 (FY 2009-10) refers to the period April 2009 - March 2010, "corresponding previous year" represents twelve months April 2008 - March 2009 and "previous financial period" consists of fifteen months January 2008 - March 2009.

FINANCIAL HIGHLIGHTS

- Operating revenues higher by 45% at INR 16,230 million (USD 342 million) (corresponding previous year: INR 11,168 million (USD 243 million)) due to Rajasthan volumes
- Profit after tax higher by 53% at INR 10,511 million (USD 222 million) (corresponding previous year: INR 6,870 million (USD 150 million))
- Gross cumulative Rajasthan development capex spend USD 2,292 million, of which USD 934 million was spent during FY 2009-10
- Arranged USD 1.6 billion facility in October 2009 through domestic and international borrowing; well funded for the Rajasthan development; assigned "AAA" rating by Credit Analysis and Research Limited (CARE) for the domestic borrowing of INR 4,000 crore (USD 850 million)

OPERATIONAL HIGHLIGHTS

- Gross operated production in FY 2009-10 was 69,059 barrels of oil equivalent per day (boepd) (corresponding previous year: 64,994 boepd); the working interest production was 24,957 boepd (corresponding previous year:17,075 boepd)

Rajasthan

- Train One at the Mangala Processing Terminal (MPT) commenced production in August 2009; Mangala average gross production in FY 2010 was 14,861 barrels of oil per day (bopd) and during Q4 FY 2010 was 17,532 bopd
- Train Two commenced production in May 2010; production from Train One and Train Two is currently ~60,000 bopd
- Train Three to be ready by end June 2010 to attain MPT processing capacity of 130,000 bopd
- Barmer to Salaya pipeline of ~590 km completed; final delivery infrastructure to refiners completed; pipeline is now operational, in preparation of sales
- Sales arrangements in place with four buyers (PSU and private sector) for 143,000 bopd
- Mangala production to ramp up to 125,000 bopd during H2 CY 2010; development drilling indicates production potential of 150,000 bopd, subject to Government of India (GoI) approval

- Mangala development drilling progresses as planned; 65 development wells drilled to date of which 51 are complete

- Eight horizontal wells drilled and six completed; tested at an average production rate of more than 11,500 bopd

- Second Raageshwari deep gas well tested to 20.9 mmscfd gas rate after hydro-fracturing treatment; similar hydro-fraccing planned for Barmer Hill formation wells

- Three wells drilled in Enhanced Oil Recovery (EOR) pilot programme in Mangala Field

- Resource base supports a vision to produce 240,000 barrels of oil per day (bopd), subject to approval from GoI and partners and additional investments

Other Assets

- Ravva completed 15 years of continuous operations; more than 220 million barrels produced; 4D seismic acquisition completed

- CB/OS-2 achieved maximum crude volumes (set field record of more than 10,500 bopd); achieved more than 7 million safe work hours over last 5 years

- Exploration campaigns progressing well; 3D seismic data acquisition completed in Palar-Pennar Basin (offshore East Coast of India) and Mannar Basin in Sri Lanka

Rahul Dhir, Managing Director and Chief Executive Officer, Cairn India said:

"With the completion of the critical infrastructure, Cairn India is on the verge of significant production growth. The timely execution of the world class development in Rajasthan has been possible with very strong support from the Government of India, State Government of Rajasthan and our joint venture partner, ONGC.

The Barmer Basin continues to evolve and the company is focused on optimising the resource base with a vision for increased production from the Rajasthan block."

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CHIEF EXECUTIVE'S REVIEW

Cairn India's primary focus over the last 12 months has been to take the Rajasthan project from the development phase to production. The all important milestone of First Oil from Mangala was achieved in August 2009. Another major milestone will be achieved soon, as sales of crude from Mangala are set to commence through the newly completed pipeline.

With the start of production in 2009 the Company is today on the threshold of transformational multi-year production growth.

The journey from discovery to production has been challenging but rewarding. The remote location of the project, harsh weather conditions and infrastructure constraints presented challenges in the commercialisation of the discoveries in Barmer. Those challenges were transformed into opportunities with the successful commissioning of Train One and Train Two at the Mangala Processing Terminal, and the completion of the world's longest continuously heated and insulated pipeline from Barmer to Salaya, whilst ensuring that the commitment to global Health, Safety and Environment (HSE) standards as well as timely deliver to the buyers was met.

The agreement of crude oil sales with the public sector and private sector refiners will deliver significant production and revenue growth and add secure cashflows for the Company to fund the next phase of the Rajasthan development.

With the completion of the pipeline, production in Rajasthan will be ramped up from 125,000 bopd later this year to the approved plateau production rate of 175,000 bopd by next year. Development drilling at Mangala indicates production potential of 150,000 bopd, subject to Government of India (GoI) approval.

A number of innovative applications of technology have helped us develop the Mangala field effectively;

- the use of pad based drilling has allowed a large number of wells to be drilled in a short time with reduced environmental footprint and lower infrastructure and drilling costs,
- the drilling of high capacity horizontal wells in Mangala and the application of new fracture simulation and completion technology in Raageshwari wells will aid greater production from fewer wells,
- the application of high density 3D seismic surveys has enhanced understanding of the reservoir and helped identify well locations precisely,
- the adaptation and successful application of the specialised skin effect heat management system has made the Barmer to Salaya pipeline a reality, thereby creating a unique national asset,
- The application of EOR techniques following the pilot programme in the Mangala Field has the potential to unlock further resources.

The Mangala, Bhagyam and Aishwariya (MBA) Proved and Probable recoverable resource base today stands at more than one billion barrels including an EOR potential of more than 300 million barrels. There is a further estimated 1.9 billion boe in place for the twenty other fields with scope for additional growth. Detailed basin re-evaluation through re-analysis of well data, reprocessing of seismic data and an updated knowledge of petroleum systems has resulted in a significant improvement in the understanding and de-risking of the Rajasthan resources.

The vision for Rajasthan is to take production up to 240,000 bopd, with the necessary support and approvals from the Government of India, in line with Cairn India's strategic focus to maximise reserves, production and ultimately value to all stakeholders.

This vision will allow the Company to increase its contribution to India's energy security. At the current approved peak production rate from the MBA fields of 175,000 bopd, Cairn India will contribute more than 20% of India's crude oil production in 2011.

The company completed a USD 1.6 billion borrowing for funding the Rajasthan development. This was done at a time when the global financial markets were in turmoil, which shows the robustness of the Rajasthan project.

The timely execution of the world class development in Rajasthan has been possible with very strong support from the Government of India, State Government of Rajasthan and our joint venture partner, ONGC. The success of this project highlights the potential in the Indian Hydrocarbon sector and the attractiveness of India as an investment destination.

In addition to the development in Rajasthan, the producing assets at Ravva and Cambay have performed better than expected with controls on the operating costs. These assets continue to contribute cashflow to fund our growth.

Cairn India is now well established on the Bombay and National Stock Exchanges as one of the key oil and gas exploration and production companies in India creating value for its stakeholders.

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FINANCIAL REVIEW

The gross production for FY 2009-10 was 69,059 boepd (14,861 boepd from Rajasthan block for 215 days since August 2009 and 54,198 boepd from Ravva and CB-OS/2 block for full year) and working interest production was 24,957 boepd (10,403 boepd from Rajasthan block and 14,554 boepd from Ravva and CB-OS/2 block). In the previous financial period, gross production was 66,146 boepd and working interest production was 17,264 boepd.

Operating revenues of Cairn India for FY 2009-10 was INR 16,230 million (USD 342 million) and for the previous financial period was INR 14,327 million (USD 321 million).

"Cash flow from operations", worked out as profit after tax (excluding other income) prior to non-cash expenses (non-cash employee cost, depreciation, depletion, amortisation, and deferred tax) and exploration cost was INR 8,084 million (USD 171 million) for FY 2009-10 and was INR 8,102 million (USD 182 million) for the previous financial period.

Cash available as at 31 March 2010 was INR 26,313 million (USD 583 million) and the loan drawn down till 31 March 2010 against the loan facility of USD 1.6 billion was INR 33,867 million (USD 751 million).

The average oil price realisation was USD 68.2/bbl and for the previous financial period it was USD 87.5/bbl. Average gas price realisation was USD 4.2/mscf and for the previous financial period it was USD 4.1/mscf. Average price realisation per boe was USD 60.9 and for the previous financial period was USD 69.3.

The consolidated profit before tax (PBT) for FY 2009-10 was INR 10,163 million (USD 214 million) and was INR 9,879 million (USD 221 million) in the previous financial period.

The consolidated profit after tax (PAT) for FY 2009-10 was INR 10,511 million (USD 222 million) as against INR 8,035 million (USD 180 million) in the previous financial period.

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 USD for the FY 2009-10 are converted based on an average exchange rate of INR 47.39 for revenue items and at the closing exchange rate of INR 45.13 as at 31 March 2010 in respect of current assets (average rate for the previous financial period was INR 44.61).

The Company completed its USD 1.6 billion financing for the Rajasthan project through a unique combination of USD 750 million international borrowing and a domestic borrowing of INR 4,000 crore (USD 850 million). With this financing, the Company is now well funded to carry through with the remaining part of the Rajasthan development. The USD 1.6 billion financing deal was awarded the "Oil & Gas Deal of the Year" for Asia Pacific region by Project Finance International (Thomson Reuters Group). The Company's domestic borrowing programme was given "AAA" by CARE for an aggregate amount of INR 4,000 crore.

The shareholders of the Company have approved a Scheme of Arrangement between the Company and some of its wholly owned subsidiaries, to be effective from 1 January 2010. The Scheme of Arrangement has been approved by the Hon'ble High Court of Madras but is pending approval from the Hon'ble High Court of Bombay and other regulatory authorities. Pending receipt of such approvals, no accounting impact of the scheme has been given in these financial statements. After the implementation of the scheme, the Company will directly own the Indian businesses, which are currently owned by some of its wholly owned subsidiaries.

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OPERATIONAL REVIEW

Gross operated production in FY 2009-10 was 69,059 boepd (working interest 24,957 boepd). The average crude oil price realisation in FY 2009-10 was USD 68.2/bbl and the average gas price was USD 4.2/mscf resulting in an average price realisation of USD 60.9/boe.

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

Cairn India and its joint venture (JV) partner ONGC have an area of 3,111 km^2, under long term contract on the Rajasthan licence spread across the districts of Barmer and Jalore.

The Mangala Field, which was discovered in January 2004, is the largest onshore oil discovery in India in more than 20 years. The MBA fields have gross recoverable oil reserves and resources of over 1 billion barrels, which includes proven plus probable (2P) gross reserves and resources of 694 million barrels of oil equivalent (mmboe) with a further 308 mmboe or more of Enhanced Oil Recovery (EOR) resource potential. An EOR pilot project on the Mangala field has started in 2010.

DeGolyer and MacNaughton have conducted an independent estimate of reserves and contingent resources. The result of their work is in line with the CIL estimates.

The twenty other fields (including the Barmer Hill Formation) are estimated to hold approximately 1.9 billion boe in place of which the gross 2P recoverable resource is estimated to be 140 million boe. Evaluation work is underway for these fields. A pilot hydraulic fracturing programme in the Barmer Hill is planned in 2010, subject to GoI approval.

At the peak of the construction activity for both the upstream and midstream projects more than 16,000 people were involved. In keeping with Cairn India's dual commitment to maintain the highest HSE standards as well as building local capacity, top quartile HSE standards have been achieved against global benchmarks and over 60,000 individuals have been trained in HSE principles and skills in the project.

Development – Upstream

The MPT is designed to process crude from the MBA fields and has a capacity to handle 205,000 bopd of crude with scope for further expansion. Four processing trains are being built to ensure that the Joint Venture is able to produce and process the approved peak plateau production of 175,000 bopd in 2011.

While Train One, with a capacity to process 30,000 bopd, was commissioned in August 2009, Train Two with a capacity of 50,000 bopd commenced production in May 2010.

The current Mangala production of 60,000 bopd is being processed through Trains One and Two. Train Three with a capacity of 50,000 bopd is targeted for completion by end June 2010.

Mangala production will continue to build during the ramp up phase. The average gross production during Q4 FY 2009-10 was 17,532 bopd and during the FY 2009-10 was 14,861 bopd. Current production is ~60,000 bopd.

Mangala crude continues to be evacuated via trucking to the Gujarat coast for onward transport to MRPL and RIL, using heated tankers.

Raageshwari Gas Terminal, the Thumbli water field (saline aquifer) and the steam and power generations at MPT have been commissioned and are operational.

Development drilling and the well completion activities are progressing with three drilling rigs and one completion rig operating in the Mangala development area. 65 Mangala development wells have been drilled of which 51 wells have been completed and made ready for initial production. In addition, 3 Enhanced Oil Recovery (EOR) pilot wells, 10 Raageshwari Deep Gas wells and 3 Thumbli water supply wells have also been drilled. 24 Mangala wells are currently producing and the other wells will be brought on stream in a staged manner during the ramp-up period.

In addition to the success of the first horizontal well at Mangala, which tested more than 11,500 bopd, Cairn has successfully drilled and completed five more horizontal wells in Mangala. The results from all the wells drilled to date confirm the good reservoir quality and the high deliverability potential of the Fatehgarh Formation reservoir.

A hydro-fraccing campaign in three Raageshwari Deep gas wells was carried out across ten gas zones. After treatment, while the first well tested in Raag-14 proved a gas rate of 15.7 mmscfd, the second well Raag-15 tested to a gas rate of 20.9 mmscfd, the highest ever in the field. This test result indicates the potential for improved frac designs, which could be applied to the low permeability reservoir zones of the Barmer Hill Formation in the near future.

Development - Midstream (Pipeline)

Of the total length of the MPT to Bhogat pipeline of ~670 km which passes through the states of Rajasthan and Gujarat, the MPT to Salaya section of ~590 km has been completed along with the final delivery infrastructure to each buyer.

Pipeline operations have commenced with oil being introduced into the pipeline in anticipation of sales to refiners.

In-principle approvals for the Salaya to Bhogat section have been obtained and the necessary land purchase has been completed. The contracting process is well underway with some key contracts already placed. Bhogat lies on the Gujarat coast and provides further flexibility in respect of future offtake volumes.

Crude – Sales

The initial crude oil sales arrangements to Public Sector Undertakings (MRPL, IOC) have now been supplemented by sales to Reliance Industries Limited (RIL) at Jamnagar and the Essar Group at Vadinar following the decision of the Government of India to allow private refiners to qualify as additional offtakers of the Rajasthan crude.

The crude is currently being trucked to Kandla at the Gujarat coast and then being shipped to MRPL and RIL. Eight parcels to MRPL and eleven parcels to RIL have been delivered to date and been processed successfully.

To date more than four million barrels of crude from Mangala has been delivered to the refiners.

The commercial terms and pricing negotiations have been concluded with all the buyers. In accordance with the Production Sharing Contract, this pricing is based on comparable low sulphur crude frequently traded in the region – Bonny Light - with appropriate adjustments for crude quality.

The implied price realisation represents an average 10-15% discount to Brent on the basis of prices prevailing for the twelve months to May 2010.

Sales arrangements are now in place for 143,000 bopd with four refineries. With the completion of the pipeline and related facilities, sales to both public and private refiners are expected to ramp up to the currently approved plateau of 125,000 bopd in H2 CY 2010. In addition, discussions are underway with PSU refiners as well as refiners in Special Economic Zones and overseas, subject to GoI approval.

Discussions are in progress with the GoI to allocate additional volumes.

Resource base including enhanced oil recovery (EOR)

The current assessment of the EOR resource base is more than 300 mmbbls of incremental recoverable oil from the MBA fields. An EOR pilot project has been initiated this year. Three wells have already been drilled, with production and water injection in the pilot to start this year, followed by polymer and ASP injection. If the trails are successful, our intention is to implement chemical flooding on a field scale in Mangala, followed by Bhagyam and Aishwariya.

Cairn India is also in the final stages of planning to carry out pilot work to evaluate the Barmer Hill formation. As the Barmer Hill reservoir is less permeable than the main Fatehgarh Formation reservoir, the use of fracced horizontal wells are planned to optimise the well count and deliver high online production rates when compared to vertical wells. A declaration of commerciality for the Barmer Hill has been submitted to the GoI and an FDP is under preparation.

Cairn India will also continue to consider low cost development options for smaller fields through the use of cost effective technologies and by leveraging the existing infrastructure.

Exploration - RJ-ON-90/1 (Cairn India is the Operator - 70% holding in the Mangala and Bhagyam Development Areas)

There remains a significant and as yet untested prospective resource potential to pursue in the Barmer Basin of the Rajasthan block. Cairn India drilled two exploration wells in Q4 FY 2009-10.

Both wells found hydrocarbons in the Thumbli reservoir, extending the Shaheed Tukaram Ombale (Raageshwari East-1z) Discovery made in 2008. Tukaram-2 found 6m oil and 6m of gas pay whilst Tukaram SE-1 found 11m of oil pay. In addition, 2.5m of oil was found in a Dharvi Dungar reservoir, and the deeper well Tukaram-2 also found 15m of gas in the Fatehgarh, extending the Raageshwari deep gas resource base.

Technical evaluation work continues to assess existing and new plays in the basin to generate further prospects in Rajasthan.

Cairn India - Producing Assets

Krishna-Godavari Basin - Eastern India

Ravva (Cairn India 22.5% (Operator))

Average gross production from the Ravva field for FY 2009-10 was 40,718 boepd (comprising an average oil production of 32,786 bopd and average gas production of 48 mmscfd).

Originally estimated to produce 101 million barrels of crude oil, the field has to date produced ~225 million barrels; and following a comprehensive assessment of remaining potential the Gross Proved plus Probable (2P) reserves have increased by 25%, from 60 mmboe last year, to 74 mmboe. Cairn is confident of the field's considerable remaining reserve potential and of producing more oil from this block.

The Ravva block's direct operating cost per barrel at approximately USD 2.1 per bbl is amongst the lowest in the world. This has been possible only through life-cycle planning, continuous monitoring and the innovative application of operating technologies.

Cairn and its joint venture partners have completed the 4D seismic campaign to identify bypassed oil zones within the field and the scope of further reserve addition through future infill drilling.

Cambay Basin - Western India

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

Average gross production from the CB/OS-2 block for FY 2009-10 was 13,480 boepd (comprising an average oil / condensate production of 9,060 bopd and average gas production of 26 mmscfd).

The application of advanced geophysical tools has helped map thin oil sands which are beyond seismic resolution. These techniques have transformed CB/OS-2 block from a predominantly gas field to an oil field. The operating team set a field production record of more than 10,500 bopd.

Cairn India – Exploration – Other Assets

In addition to the ongoing exploration activities in the three producing blocks, Cairn India currently has exploration interests in six blocks in India and one in Sri Lanka, three of which are operated by the Company. These blocks are located in the Krishna-Godavari Basin, the Palar-Pennar Basin, Kerala Konkan Basin, Cambay Basin, Gujarat Saurashtra Basin, Barmer Basin, Jaisalmer Basin and the Mannar Basin offshore Sri Lanka. The Company made two successful bids in the New Exploration Licensing Policy (NELP) VIII licensing round, and was provisionally awarded the KG-OSN-2009/3 and MB-DWN-2009/1 blocks, subject to GoI approval.

The 2009-10 operated exploration programme includes the drilling of 5 other wells outside Rajasthan and seismic acquisition in two blocks, as well as participation in non-operated JV activity.

Block Updates

Jaisalmer Basin – RJ-ONN-2003/1 (Cairn India 30%, non-Operator, ENI is the operator)

The operator completed the first exploration well in mid-2009 which encountered a sequence of low reservoir quality Mesozoic and older rocks of limited hydrocarbon potential. The operator remains in discussion with the Directorate General of Hydrocarbons (DGH) regarding the remaining work programme commitments.

Southeast India

Krishna Godavari Basin

The Company holds a strong position in the Krishna Godavari basin with both existing production from the Ravva Field and prospective acreage in onshore and offshore blocks. Our commitment to this basin was further consolidated with the provisional award of the sought-after KG-OSN-2009/3 block in the NELP VIII bid round, subject to GoI approval.

Ravva (Cairn India 22.5%, Operator)

A major review of the block-wide additional potential is being undertaken. A review of Contingent Resources was completed in early 2009, resulting in small but significant additions to the resource base, although further drilling will be required to monetise these. A second study to assess the additional undiscovered potential within the field both in untested deeper horizons and in adjacent structures is ongoing and is expected to add new exploration prospects. Further evaluation of the commerciality of these prospects is required prior to drilling but is expected to result in future drilling activity that will help sustain production in future years.

KG-ONN-2003/1 (Cairn India 49%, Operator)

The company has finalised 5 prospects and the drilling of the first of these wells (Nagaram-1) commenced in February 2010 and was plugged and abandoned in March 2010. The second well (Daliparu-1) commenced drilling in the same month. The drilling of the remaining wells is expected to be complete by early Q3 CY 2010.

KG-DWN-98/2 (Cairn India 10%, non-Operator, ONGC is the operator)

The northern area of this PSC is now in an appraisal phase following completion of the Exploration Period. Drilling commenced in the first of three wells in December 2009 and encountered low saturation gas. Two further wells are scheduled to be drilled as part of the future plan for commercial development of this discovered oil and gas resource. The southern area appraisal period was completed in December 2009 and the declaration of commerciality submitted to the DGH.

Palar-Pennar Basin

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

This block, with aerial extent of 9,400 km^2, is located contiguous to discoveries in Krishna-Godavari and Cauvery basins. Following interpretation of 3,100 line km of offshore 2D seismic data, an 811 km^2 of 3D seismic data was acquired in Q1 CY2010 in preparation for a drilling campaign planned for Q1 CY 2011.

Other Indian Acreage

In KK-DWN-2004/1 (Cairn India 40%, ONGC is the operator), a 3,840 line km 2D seismic programme was completed in 2009 and following interpretation of the data, 300 km^2 of 3D acquisition is being planned.

Well GSA-1 in the offshore southern Saurasthra block GS-OSN-2003/1 (Cairn India 49%, ONGC is the operator) was plugged and abandoned in Q1 CY 2010.

Cairn India also completed its work programme commitments in the Ganga Valley exploration blocks GV-ONN-2002/1 and GV-ONN-2003/1 and Vindhyan basin block VN-ONN-2003/1. Cairn India has since relinquished its interests in these blocks.

Sri Lanka

SL 2007-01-001 (Cairn Lanka 100% - a wholly owned subsidiary of Cairn India)

Cairn Lanka Private Limited, the wholly owned subsidiary of Cairn India, acquired a 1750 km^2 3D seismic survey data in the Mannar Basin in Sri Lanka between December 2009 and January 2010, The Mannar basin is an under-explored frontier petroleum province, virtually un-explored in Sri Lanka with both structural and stratigraphic plays. The programme fulfils the commitment of 1,450 km^2 of 3D seismic data acquisition.

The 3D seismic data is currently being processed. A detailed Metocean study has recently commenced in preparation for the Exploration drilling of three wells planned to commence in Q2 CY 2011.

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AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 31st MARCH 2010

(All amounts are in lakhs of Indian rupees, unless otherwise stated)

Sr. No.	Particulars	Quarter ended		Financial year/period ended	
		31-Mar-10	31-Mar-09	31-Mar-10 (12 months)	31-Mar-09 (15 months)
		Unaudited	Unaudited	Audited	Audited
1	a) Income from operations	69,283	18,175	162,303	143,267
	b) Other operating income	-	-	-	-
2	Expenditure				
	a) (Increase)/Decrease in stock-in-trade	7,001	400	(3,660)	2,223
	b) Operating expenses	18,429	3,557	42,483	21,297
	c) Employees cost	2,683	1,704	11,016	11,500
	d) Depreciation, depletion & amortization	3,816	4,430	14,851	26,980
	e) Share issue expenses	-	-	-	2,084
	f) Administration cost	4,386	4,576	14,412	15,187
	g) Exploration cost	12,191	6,267	20,853	16,839
	h) Total	48,506	20,934	99,955	96,110
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**20,777**	**(2,759)**	**62,348**	**47,157**
4	Other Income	8,791	8,622	40,766	50,716
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**29,568**	**5,863**	**103,114**	**97,873**
6	Interest and finance cost	188	213	1,480	641
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**29,380**	**5,650**	**101,634**	**97,232**
8	Exceptional Items	-	-	-	1,557
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**29,380**	**5,650**	**101,634**	**98,789**
10	Tax expense				
	a) Current tax	4,782	8,415	22,164	13,363
	b) MAT credit entitlement	(2,698)	(2,255)	(13,722)	(2,255)
	c) Deferred tax	2,777	(2,593)	(10,866)	6,234
	d) Fringe benefit tax	-	215	(1,052)	1,102
	e) Total	4,861	3,782	(3,476)	18,444
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-10)**	**24,519**	**1,868**	**105,110**	**80,345**
12	Extraordinary items (net of tax expense)	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**24,519**	**1,868**	**105,110**	**80,345**

Sr. No.	Particulars	Quarter ended		Financial year/period ended	
		31-Mar-10	31-Mar-09	31-Mar-10 (12 months)	31-Mar-09 (15 months)
		Unaudited	Unaudited	Audited	Audited
14	Paid-up Equity Share Capital (Face value of Rs.10 each)	189,697	189,667	189,697	189,667
15	Reserves excluding Revaluation Reserves			3,192,496	3,086,676
16	Earnings per share in rupees (not annualized)				
	a) Basic earnings per share	1.29	0.10	5.54	4.31
	b) Diluted earnings per share	1.29	0.10	5.52	4.28
17	Public Shareholding				
	- Number of shares	713,730,341	669,824,025	713,730,341	669,824,025
	- Percentage of shareholding	37.62%	35.32%	37.62%	35.32%
18	Promoters and Promoter Group Shareholding				
	a) Pledged / Encumbered				
	-Number of shares	-	-	-	-
	-Percentage of shares (as a % of the total share shareholding of promoter and promoter group)	-	-	-	-
	-Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-
	b) Non-encumbered				
	-Number of shares	1,183,243,791	1,226,843,791	1,183,243,791	1,226,843,791
	-Percentage of shares (as a % of the total share shareholding of promoter and promoter group)	100%	100%	100%	100%
	-Percentage of shares (as a % of the total share capital of the Company)	62.38%	64.68%	62.38%	64.68%

Notes:-

1. The above audited financial results for the year ended 31st March, 2010 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 27 May 2010.

2. Employee costs for the current quarter and year includes stock option charge of INR 1,454 lakhs and INR 5,520 lakhs respectively, computed under the Intrinsic Value Method. The said charge for the current quarter and the year would have been INR 2,482 lakhs and INR 9,481 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

3. Exploration costs include costs pertaining to geological/geophysical studies, seismic studies, other surveys and unsuccessful wells and have been charged to the profit and loss account as per the provisions of the Successful Efforts Method of accounting.

4. The shareholders of the Company have approved a Scheme of Arrangement between the Company and some of its wholly owned subsidiaries, to be effective from 1st January 2010. The Scheme of Arrangement has been approved by the Hon'ble High Court of Madras however; it is pending for approval from the Hon'ble High Court of Bombay and other regulatory authorities. Pending receipt of such approvals, no accounting impact of the scheme has been given in the above results.

5. The Group operates in only one segment i.e. "Oil and Gas Operations".

6. Summary of Assets and Liabilities-

Particulars	**As on 31st March 2010 (Audited)**	**As on 31st March 2009 (Audited)**
SOURCES OF FUNDS		
Shareholders' funds		
Share capital	189,697	189,667
Stock options outstanding	4,640	3,889
Reserves and surplus	3,192,496	3,086,676
Loan funds		
Secured loan	340,071	2,224
Unsecured loan	-	433,415
Deferred tax liabilities (net)	46,194	56,238
TOTAL	**3,773,098**	**3,772,109**
APPLICATION OF FUNDS		
Fixed assets	12,695	6,328
Exploration, Development and Site-restoration costs	966,293	650,411
Goodwill	2,531,927	2,531,927
Investments	171,241	17,128
Deferred tax assets (net)	1,662	839
Current assets, loans and advances		
Inventories	29,094	16,828
Sundry debtors	30,675	15,164
Cash and bank balances	92,942	652,707
Other current assets	1,446	7,042
Loans and advances	83,179	35,051
Less: Current liabilities and provisions		
Current liabilities	98,686	117,943
Provisions	49,370	43,373
Net current assets	89,280	565,476
TOTAL	**3,773,098**	**3,772,109**

7. Previous quarter / period figures have been regrouped / rearranged wherever necessary to confirm to the current year's presentation.

For and on behalf of the Board of Directors

Place: Gurgaon
Date: 27 May 2010

Rahul Dhir
Managing Director and Chief Executive 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 - 122002

AUDITED STANDALONE FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH 2010

(All amounts are in lakhs of Indian rupees, unless otherwise stated)

Sr. No.	Particulars	Quarter ended		Financial year/period ended	
		31-Mar-10	31-Mar-09	31-Mar-10 (12 months)	31-Mar-09 (15 months)
		Unaudited	Unaudited	Audited	Audited
1	a) Income from operations	128	34	320	373
	b) Other operating income	-	-	-	-
2	Expenditure				
	a) Operating expenses	-	-	338	362
	b) Employees cost	559	(80)	1,759	2,125
	c) Depreciation, depletion & amortization	1	1	5	4
	d) Legal & professional charges	1,126	378	2,123	2,823
	e) Share issue expenses	-	-	-	2,084
	f) Administration cost	308	973	907	3,028
	g) Exploration cost	6,138	2,812	11,912	8,136
	h) Total	8,132	4,084	17,044	18,562
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**(8,004)**	**(4,050)**	**(16,724)**	**(18,189)**
4	Other Income	3,026	6,899	16,016	27,873
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**(4,978)**	**2,849**	**(708)**	**9,684**
6	Interest and finance cost	3,768	27	6,628	34
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**(8,746)**	**2,822**	**(7,336)**	**9,650**
8	Exceptional Items	-	-	-	1,557
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**(8,746)**	**2,822**	**(7,336)**	**11,207**
10	Tax expense				
	a) Current tax	(501)	4,468	440	5,438
	b) Fringe benefit tax	-	44	(881)	345
	c) Total	(501)	4,512	(441)	5,783
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-10)**	**(8,245)**	**(1,690)**	**(6,895)**	**5,424**
12	Extraordinary items (net of tax expense)	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**(8,245)**	**(1,690)**	**(6,895)**	**5,424**

Sr. No.	Particulars	Quarter ended		Financial year/period ended	
		31-Mar-10	31-Mar-09	31-Mar-10 (12 months)	31-Mar-09 (15 months)
		Unaudited	Unaudited	Audited	Audited
14	Paid-up Equity Share Capital (Face value of Rs.10 each)	189,697	189,667	189,697	189,667
15	Reserves excluding Revaluation Reserves			2,999,337	3,005,522
16	Earning/(Loss) per share in rupees (not annualized)				
	a) Basic earnings/(loss) per share	(0.43)	(0.09)	(0.36)	0.29
	b) Diluted earnings/(loss) per share	(0.43)	(0.09)	(0.36)	0.29
17	Public Shareholding				
	- Number of shares	713,730,341	669,824,025	713,730,341	669,824,025
	- Percentage of shareholding	37.62%	35.32%	37.62%	35.32%
18	Promoters and Promoter Group Shareholding				
	a) Pledged / Encumbered				
	-Number of shares	-	-	-	-
	-Percentage of shares (as a % of the total share shareholding of promoter and promoter group)	-	-	-	-
	-Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-
	b) Non-encumbered				
	-Number of shares	1,183,243,791	1,226,843,791	1,183,243,791	1,226,843,791
	-Percentage of shares (as a % of the total share shareholding of promoter and promoter group)	100%	100%	100%	100%
	-Percentage of shares (as a % of the total share capital of the Company)	62.38%	64.68%	62.38%	64.68%

Notes:-

1. The above audited financial results for the year ended 31st March, 2010 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 27th May 2010.

2. Operating expenses represent data acquisition and pre-exploration cost.

3. Employee costs for the current quarter and year includes stock option charge of INR 219 lakhs and INR 394 lakhs respectively, computed under the Intrinsic Value Method. The said charge for the current quarter and the year would have been INR 1,302 lakhs and INR 4,275 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

4. Exploration costs include costs pertaining to geological/geophysical studies, seismic studies, other surveys and unsuccessful wells and have been charged to the profit and loss account as per the provisions of the Successful Efforts Method of accounting.

5. The shareholders of the Company have approved a Scheme of Arrangement between the Company and some of its wholly owned subsidiaries, to be effective from 1st January 2010. The Scheme of Arrangement has been approved by the Hon'ble High Court of Madras however; it is pending for approval from the Hon'ble High Court of Bombay and other regulatory authorities. Pending receipt of such approvals, no accounting impact of the scheme has been given in the above results.

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

7. Information on investors' complaints for the quarter: opening-1, received-16, disposed-17 and closing-Nil.

8. As on 31st March 2010, the Company and its subsidiaries together have utilized the entire IPO proceeds of INR 882,489 lakhs, as per the following details-

(a)	Acquisition of shares of Cairn India Holdings Limited from Cairn UK Holdings Limited	595,808
(b)	Exploration and Development expenses	268,385
(c)	General corporate purposes	2,300
(d)	Issue expenses	15,996
	Total	**882,489**

9. Summary of Assets and Liabilities-

Particulars	As at 31st March 2010 (Audited)	As at 31st March 2009 (Audited)
SOURCES OF FUNDS		
Shareholders' Funds		
Share capital	189,697	189,667
Stock options outstanding	4,640	3,890
Reserves and surplus	3,011,612	3,010,902
Loan funds		
Secured loans	134,500	-
TOTAL	**3,340,449**	**3,204,459**
APPLICATION OF FUNDS		
Fixed assets	2	6
Exploratory work in progress	2,421	5,403
Investments	3,312,909	2,922,540
Current assets, loans and advances		
Inventories	98	-
Sundry debtors	157	179
Cash and bank balances	19,279	276,328

Particulars	As at 31st March 2010 (Audited)	As at 31st March 2009 (Audited)
Other current assets	124	6,336
Loans and advances	8,292	2,208
Less: Current liabilities and provisions		
Current liabilities	14,807	10,767
Provisions	301	3,154
Net current assets	12,842	271,130
Profit & Loss account	12,275	5,380
TOTAL	**3,340,449**	**3,204,459**

10. Previous quarter / period figures have been regrouped / rearranged wherever necessary to confirm to the current year's presentation.

For and on behalf of the Board of Directors

Place: Gurgaon
Date: 27th May 2010

Rahul Dhir
Managing Director and Chief Executive Officer

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About Cairn India Limited

- "Cairn India" where referred to in the release means Cairn India Limited and/or its subsidiaries, as appropriate.
- Cairn Lanka (Private) Limited, is a wholly owned subsidiary of Cairn India that holds a 100% participating interest in the Mannar block.
- "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 in the National Capital Region, with operational offices in Chennai, Gujarat, Andhra Pradesh and Rajasthan.
- On 9 January 2007, Cairn India Limited was listed on the Bombay Stock Exchange and the National Stock Exchange of India. Cairn Energy PLC currently holds a 62.37% shareholding in Cairn India Limited.
- Cairn India holds material exploration and production positions in nine blocks in India and one in Sri Lanka.
- The focus on India has 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. Twenty five 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 more than 2.4 million barrels of oil per day (bopd). The domestic production is approximately 0.7 million barrels of oil per day of which approximately 69,000 bopd comes from the Cairn India operated assets (Ravva, CB-OS/2 and the Rajasthan block)
- For further information on Cairn India Limited see www.cairnindia.com

Glossary

Corporate

Cairn India/CIL	Cairn India Limited and/or its subsidiaries as appropriate
Company	Cairn India Limited
CY	Calendar Year
DoC	Declaration of Commerciality
JV	Joint Venture
MBA	Mangala, Bhagyam and Aishwariya
MPT	Mangala Processing Terminal
MRPL	Mangalore Refinery and Petrochemicals Limited, (subsidiary of ONGC)
IOC	Indian Oil Corporation
HPCL	Hindustan Petroleum Corporation Limited
RIL	Reliance Industries Limited
E&P	exploration and production
GoI	Government of India
Group	the Company and its subsidiaries
MC	Management Committee
ONGC	Oil and Natural Gas Corporation Limited
OC	Operating Committee
FY	Financial Year
NELP	New Exploration Licensing Policy

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
mmt	Million metric tonne
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.

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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 document represent the views of Cairn India and do not represent the views of any other party, including the Government of India, the Directorate General of Hydrocarbons or any of Cairn India's joint venture partners.