CAIRN INDIA LIMITED
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For Immediate Release 10 February, 2011

Cairn India Limited
Third Quarter Financial Results
for the period ended 31 December, 2010

The following commentary is provided in respect of the unaudited financial results and operational highlights of Cairn India Limited and its subsidiary companies (referred to as "Cairn India") during the third quarter of financial year 2010-11 (FY 2010-11). Please note that FY 2010-11 refers to the period April 2010 - March 2011.

FINANCIAL HIGHLIGHTS

- Revenue INR 30,964 million (USD 691 million)
- Profit after tax (PAT) INR 20,101 million (USD 448 million)
- Cash flow from Operations INR 20,391 million (USD 455 million)
- Net cash of INR 8,693 million (USD 194 million) as at 31 December, 2010
- Gross cumulative Rajasthan development capital expenditure at INR 126,241 million (USD 2,816 million) of which INR 8,563 million (USD 191 million) was spent during Q3 FY 2010-11

OPERATIONAL HIGHLIGHTS

- Working Interest Sales of more than 100,000 barrels of oil equivalent per day (boepd) in Q3 FY 2010-11
- Gross operated production at 174,282 boepd; Q3 FY 2009-10 (66,843 boepd); up by 5% QoQ basis
- Won nine safety awards in the 24th Mine Safety Awards for Rajasthan Operations organised under the aegis of the Directorate General of Mines Safety (DGMS), Rajasthan

Rajasthan

- First full quarter of Mangala approved plateau production at ~125,000 barrels of oil per day (bopd); completed more than 15 months of successful Mangala production with gross field revenues in excess of USD 2 billion
- Mangala development drilling progresses as planned; to date 125 wells are drilled of which 84 are complete and 55 are producing
- Total sales of more than 27.5 million barrels (mmbbls) of Mangala crude as at 31 December, 2010; safe delivery in excess of 11 mmbbls in Q3 FY 2010-11
- Bhagyam development drilling commenced; 14 wells drilled to date, expected to commence production in H2 CY 2011 and achieve approved plateau rate of 40,000 bopd by end CY 2011

- Mangala Enhanced Oil Recovery (EOR) pilot on track; water injection phase of the pilot is underway

- Construction work on Train Four on track; commissioning expected in H2 CY 2011 to take Mangala Processing Terminal (MPT) nameplate capacity to 205,000 bopd

- Further ramp up in Rajasthan production impacted;

  - Mangala reservoir performance and surface facilities ready to support immediate production increase of 25,000 bopd to 150,000 bopd.

  - Assessment of higher production potential and design optimisation of Aishwariya field currently underway; plan to commence production in H2 CY 2012, subject to JV and GoI approval

  - Construction commenced on the Salaya to Bhogat pipeline extension and the marine facility; expected to be operational in H2 CY 2012

Other Assets

- Ravva infill drilling campaign commenced

- Preparations for Sri Lanka frontier exploration drilling campaign in the SL 2007-01-001 block progressing well; drilling expected to commence in July 2011

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

"Mangala production has consistently delivered at the currently approved plateau rate of 125,000 bopd. A further production increase to 150,000 bopd remains subject to joint venture and Government of India approval.

All of the processing systems and the pipeline infrastructure have demonstrated safe and efficient operations and we continue to work with the GoI to rebuild the momentum and ensure the national resource in Rajasthan enhances our contribution to our nation's energy security."

FINANCIAL REVIEW

The Q3 FY 2010-11 average production was 124,861 bopd from Rajasthan compared to 15,430 bopd in Q3 FY 2009-10. The oil price realisation was USD 74.8 per bbl compared to USD 66.1 per bbl in Q3 FY 2009-10.

The consolidated revenue of the company for Q3 FY 2010-11 was INR 30,964 million (USD 691 million) as compared to INR 4,955 million (USD 106 million) in Q3 FY 2009-10. On a QoQ basis, it is up by 15% as compared to INR 26,864 million (USD 577 million) in Q2 FY 2010-11.

"Cash flow from Operations", worked out as profit after tax (excluding other income and forex revaluation gain/loss) prior to non-cash expenses (non-cash employee cost, depreciation, depletion, amortisation, MAT and deferred tax) and exploration cost for Q3 FY 2010-11 was INR 20,391 million (USD 455 million) compared to INR 2,769 million (USD 59 million) for Q3 FY 2009-10. On a QoQ basis, it is up by 30% as compared to INR 15,692 million (USD 337 million) in Q2 FY 2010-11.

The company realised profit after tax (PAT) at INR 20,101 million (USD 448 million) in Q3 FY 2010-11 compared to INR 2,910 million (USD 62 million) in Q3 FY 2009-10. On a QoQ basis, it is up by 27% as compared to INR 15,851 million (USD 341 million) in Q2 FY 2010-11.

The Basic earnings per share (EPS) for Q3 FY 2010-11 stands at INR 10.6 compared to INR 1.5 in Q3 FY 2009-10; cumulative for nine months is INR 20.4.

Cash (net of borrowings) available as on 31 December, 2010 was INR 8,693 million (USD 194 million).

With increasing cash inflows, the company replaced its Rupee facility of INR 40,000 million (USD 850 million) with a lower financing facility of INR 22,500 million (USD 500 million). The new financing facility was raised through INR Unsecured Non-convertible Debentures at competitive commercial terms.

N.B.: Amounts shown in USD are conversions based on an average exchange rate for Q3 FY 2010-11 at INR 44.84 for revenue items vs. INR 46.60 for Q3 FY 2009-10 and INR 46.53 for Q2 FY 2010-11. The closing exchange rate as at 31 December 2010 was INR 44.83.

CORPORATE

The holding company of Cairn India Limited, Cairn UK Holdings Limited, along with its holding company, Cairn Energy PLC (Company's ultimate holding company) has agreed to sell a substantial part of its shareholding in the Company to Twin Star Energy Holdings Limited (a wholly owned subsidiary of Vedanta Resources Plc). This transaction has been approved by the shareholders of Cairn Energy PLC and Vedanta Resources Plc. The transaction continues to progress in a consensual way to secure the necessary consents and approvals from the various Indian government authorities and stakeholders.

The Cairn India Board of Directors has stated that any condition tied to the approval of the transaction, which can negatively impact the value of the Company cannot be accepted.

OPERATIONAL REVIEW

In Q3 FY 2010-11, gross production of the operating units was 174,282 boepd (66,843 boepd in Q3 FY 2009-10) and working interest production was 100,270 boepd (24,599 boepd in Q3 FY 2009-10).

The average oil price realisation in Q3 FY 2010-11 was USD 75.9 per bbl compared to USD 70.7 per bbl in Q3 FY 2009-10. The gas price realisation in Q3 FY 2010-11 was USD 4.5 per thousand standard cubic feet (mscf) and saw no change when compared to that of Q3 FY 2009-10.

Average price realisation per boe was USD 74.3 in Q3 FY 2010-11 compared to USD 64.5 in Q3 FY 2009-10.

Rajasthan (Block RJ-ON-90/1) (Cairn India 70%, Operator)

Average gross production from the Rajasthan block for Q3 FY 2010-11 was 124,861 bopd and working interest production was 87,403 bopd.

The Mangala field, which commenced production in August 2009, has ramped up ahead of schedule to its currently approved plateau rate of 125,000 bopd. The Mangala reservoir performance and surface facilities is ready to support production of 150,000 bopd but is awaiting JV and GoI approval.

Since production start-up, the MPT has had efficient and safe operations and has processed more than 27.5 mmbbls of crude oil, which has been sold to Public Sector Undertaking (PSU) and private refiners. The plant uptime stood at over 99% in Q3 FY 2010-11.

Cairn India is committed to maintaining the highest Health, Safety and Environment (HSE) standards and has achieved top quartile global benchmarking. The Rajasthan Operations won nine safety awards in the 24th Mine Safety Awards organised under the aegis of the Directorate General of Mines Safety (DGMS), Rajasthan.

Upstream

The MPT is designed to process crude from the Rajasthan fields and will have a capacity to handle 205,000 bopd of crude with scope for further expansion. Trains One, Two and Three are commissioned while the construction activities for Train Four have commenced and is on track for delivery in H2 CY 2011.

Development drilling and well completion activities are progressing with three drilling rigs and one completion rig operating in the Rajasthan block.

The use of pad-based drilling coupled with mobile drilling rigs has allowed a large number of wells to be drilled in a short time with a reduced environmental footprint and lower infrastructure and drilling costs.

The focused effort on drilling of high capacity horizontal wells in Mangala and the reservoir performance supports higher plateau levels. Cairn India has successfully drilled and completed 11 horizontal wells in the Mangala field and all have been put on production. A total of 125 Mangala development wells have been drilled, of which 84 are complete and 55 are currently producing. The other wells will be brought on stream in a staged manner. Surface facilities and midstream infrastructure are ready to support production of 150,000 bopd from Mangala field.

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Work on the development of the Bhagyam field, the second largest discovery in Rajasthan, has commenced. Development drilling has started with a total of 14 Bhagyam wells drilled to date. Crude oil production from the Bhagyam field is expected to commence in H2 CY 2011 and achieve approved plateau rate of 40,000 bopd by end CY 2011. The well results from Bhagyam drilling have been as per expectations.

Assessment of higher production potential and design optimisation of Aishwariya field is currently underway due to increased reserves and resources. Production is scheduled to commence in H2 CY 2012, subject to JV and GoI approval.

Cairn India and its JV partner ONGC, continue to develop the hydrocarbon resources in the state of Rajasthan with a continued focus on cost and the application of innovative technologies. The use of high density 3D seismic surveys has enhanced the understanding of the reservoir and helped to precisely identify well locations leading to reduced finding costs.

The application of new fracture stimulation and completion technology proven in the Raageshwari Deep Gas wells will provide the opportunity to replicate and thereby exploit the lower permeability Barmer Hill formation.

Midstream (Pipeline)

The MPT to Salaya section (~590 km) with the final delivery infrastructure continues to safely deliver crude oil to various buyers. Construction work on the ~80 km Salaya to Bhogat section of the pipeline including the Bhogat terminal and marine facility is in progress with completion targeted for H2 CY 2012.

In Q3 FY 2010-11, more than 11 mmbbls of crude oil was safely delivered through the pipeline. The pipeline system availability is at 98.7% within six months of start-up.

Crude – Sales

Crude sales were maintained at the currently approved plateau rate of 125,000 bopd in Q3 FY 2010-11. Since start of crude production from Mangala, revenue of more than USD 2 billion has been generated to date.

The implied crude price realisation represents an average 10-15% discount to Brent on the basis of prices prevailing for the twelve months to December, 2010. The buoyant crude oil prices and the widening spread between the heavy and the light fractions could potentially drive the discount levels to the higher end of the discount range.

Sales arrangements are in place for 143,000 bopd with PSU and private refiners and discussions continue with GoI for further nominations.

Resource base including enhanced oil recovery (EOR)

The Mangala, Bhagyam and Aishwariya (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 300 mmboe or more of EOR resource potential. The MBA fields will contribute more than 20% of domestic crude production when they reach the currently approved plateau rate of 175,000 bopd.

The first phase of EOR pilot consisting of four injectors, one producer and three observation wells are drilled, completed and hooked up to the facilities. The water injection and production phase has commenced in December, 2010.

A pilot hydraulic fracturing programme to test the potential of the Barmer Hill Formation is planned, subject to GoI approval. The pilot programme will allow evaluation of the appropriate cost effective technology for a fully optimised development of this low permeability oil resource base. A declaration of commerciality for the Barmer Hill was submitted to the GoI in March, 2010 and a Field Development Plan is under preparation.

Krishna-Godavari Basin - Eastern India
Block PKGM-1 - Ravva field (Cairn India – 22.5%, Operator)

Average gross production from the Ravva field for Q3 FY 2010-11 was 39,434 boepd (comprising an average oil production of 29,667 bopd and average gas production of 59 million standard cubic feet per day (mmscfd)).

Cairn India and its joint venture partners have completed a 4D seismic campaign and data interpretation is ongoing to identify bypassed oil zones. An infill drilling campaign has commenced to drill new wells to augment production.

Cambay Basin - Western India
Block CB/OS-2 (Cairn India - 40%, Operator)

Average gross production from the CB/OS-2 block for Q3 FY 2010-11 was 9,988 boepd (comprising an average oil / condensate production of 6,279 bopd and average gas production of 22 mmscfd). To date, the asset has produced more than 200 billion cubic feet of gas and 11 mmbbls of commingled oil (crude + condensate). The CB/OS-2 facilities had an up-time of over 99% in Q3 FY 2010-11.

To enhance oil production from the block, an infill drilling campaign is planned in the Lakshmi field. Gross revenue of more than USD 25 million has been realised from the sale of Gauri JV share of GBA (Gas Balancing Agreement – for sharing gas from the shared reservoir) gas produced through the Hazira JV facilities.

Exploration

Cairn India has a total of 10 blocks in its portfolio in three strategically focussed areas namely one block in Rajasthan, three on the west coast of India and six on the east coast of India, including one in Sri Lanka. Out of these, eight including the three producing blocks are operated by Cairn India. Exploration activities are ongoing at different stages in the exploration blocks. During Q3, the GS-OSN-2003/1 block (Cairn India - 49%, ONGC is the Operator) was relinquished by the company after the completion of the Phase-II exploration programme. Over the years, Cairn India has optimised its exploration portfolio by adding new prospective blocks and relinquishing some, thereby increasing its net unrisked potential resource base.

In KG-ONN-2003/1 block (Cairn India - 49%, Operator) preparations are ongoing for further exploration and appraisal drilling.

Frontier exploration drilling in the SL 2007-01-001 block (Cairn India - 100%, Operator) in Sri Lanka is planned to commence in July 2011. A drillship has been contracted and logistical preparations and detailed studies are ongoing ahead of drilling later this year.

Technical evaluation work continues in the RJ-ON-90/1 block to assess existing and new plays in the basin to generate further prospects in Rajasthan. Development wells drilled in 2010 encountered additional contingent oil and gas resources in Raageshwari and Bhagyam areas, which are being further evaluated.

Exploration activities in the two NELP-VIII blocks, KG-OSN-2009/3 and MB-DWN-2009/1, have commenced. In KG-OSN-2009/3 block (Cairn India – 100%, Operator) exploration activities are ongoing and the 3D seismic acquisition is planned during Q4 FY 2011-12.

Force Majeure has been declared in the PR-OSN-2004/1 block (Cairn India – 35%, Operator) until permission is granted to continue drilling / survey activities in the area designated as inaccessible by the Department of Space, GoI.

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS

FOR THE QUARTER ENDED 31ST DECEMBER 2010

(All amounts are in ₹ lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended		Nine month ended		Previous financial year ended 31-Mar-10
		31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09	
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Income from operations	309,644	49,546	662,346	93,020	162,303
	b) Other operating income	-	-	-	-	-
2	Expenditure					
	a) (Increase)/Decrease in stock-in-trade	493	(6,520)	(3,524)	(10,662)	(3,660)
	b) Operating expenses	45,764	13,417	110,211	24,054	42,483
	c) Employee costs	3,152	4,069	8,039	8,334	11,016
	d) Depreciation, depletion & amortization	28,706	2,997	72,862	11,035	14,851
	e) Administration costs	3,896	3,852	9,148	10,026	14,412
	f) Foreign exchange fluctuation	-	-	6,269	-	-
	g) Exploration costs	2,158	4,404	9,594	8,663	20,853
	h) Total	84,169	22,219	212,599	51,450	99,955
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**225,475**	**27,327**	**449,747**	**41,570**	**62,348**
4	Other Income	3,416	9,985	8,831	33,444	40,766
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**228,891**	**37,312**	**458,578**	**75,014**	**103,114**
6	Interest and finance costs	7,422	2,600	25,157	2,761	1,480
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**221,469**	**34,712**	**433,421**	**72,253**	**101,634**
8	Exceptional Items	-	-	-	-	-
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**221,469**	**34,712**	**433,421**	**72,253**	**101,634**
10	Tax expense					
	a) Current tax	46,002	7,007	106,240	17,382	22,164
	b) MAT credit entitlement	(34,421)	(4,862)	(63,711)	(11,024)	(13,722)
	c) Deferred tax	8,876	3,471	3,231	(13,643)	(10,866)
	d) Fringe benefit tax	-	-	-	(1,052)	(1,052)
	e) Total	20,457	5,616	45,760	(8,337)	(3,476)
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-10)**	**201,012**	**29,096**	**387,661**	**80,590**	**105,110**
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**201,012**	**29,096**	**387,661**	**80,590**	**105,110**

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Sr. No.	Particulars	Quarter ended		Nine month ended		Previous Financial year ended
		31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09	31-Mar-10
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
14	Paid-up Equity Share Capital (Face value of ₹ 10 each)	190,074	189,667	190,074	189,667	189,697
15	Reserves excluding Revaluation Reserves					3,192,496
16	Earnings per share in ₹ (not annualized)					
	a) Basic earnings per share	10.59	1.53	20.43	4.25	5.54
	b) Diluted earnings per share	10.53	1.53	20.33	4.23	5.52
17	Public Shareholding					
	- Number of shares	717,492,615	713,424,025	717,492,615	713,424,025	713,730,341
	- Percentage of shareholding	37.75%	37.61%	37.75%	37.61%	37.62%
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	1,183,243,791	1,183,243,791	1,183,243,791	1,183,243,791
	-Percentage of shares (as a % of the total share shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	-Percentage of shares (as a % of the total share capital of the Company)	62.25%	62.39%	62.25%	62.39%	62.38%

Notes:-

1. The above unaudited financial results for the current quarter were subjected to a limited review by the auditors of the Company and reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 10th February 2011.

2. The individual items in the above financial results are net of amounts cross charged to oil and gas blocks where the Group is the operator. The Group's share of such net expenses in oil and gas blocks is treated as exploration, development or operating costs, as the case may be.

3. Employee costs for the current quarter and nine month period include stock option charge of ₹ 994 lakhs and ₹ 3,040 lakhs respectively, computed under the Intrinsic Value Method. The said charge for the current quarter and nine month period would have been ₹ 2,128 lakhs and ₹ 6,655 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

4. 3,281,463 additional equity shares were issued during the current quarter on exercise of stock options by the employees of the Cairn India Group.

5. 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.

6. During the nine month period, Cairn India Group has changed the accounting policy for valuation of oil and condensate inventory from “net realizable value” to “cost or net realizable value, whichever is lower”. Accordingly, value of inventory as at 31st December 2010 is lower by ₹ 30,079 lakhs and profit after tax for the nine month period is lower by ₹ 29,266 lakhs.

7. 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 and the Hon’ble High Court of Bombay; however, it is pending for approval from other regulatory authorities. Pending receipt of such approvals, no accounting impact of the scheme has been given in the above results.

8. The holding company of Cairn India Ltd., Cairn UK Holdings Limited, along with its holding company, Cairn Energy Plc. (Company’s ultimate holding company) has agreed to sell a substantial part of its investment in the Company to Twin Star Holdings Ltd. and Vedanta Resources Plc. This transaction has been approved by shareholders of both Cairn Energy Plc. and Vedanta Resources Plc. However, pending receipt of certain regulatory approvals, Cairn Energy Plc. has been treated as the promoter of the Company and disclosures have been made accordingly.

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

10. Previous quarter / nine month / year figures have been regrouped / rearranged wherever necessary to confirm to the current quarter’s presentation.

For and on behalf of the Board of Directors

Place: New Delhi
Date: 10th February 2011

Rahul Dhir
Managing Director and Chief Executive Officer

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UNAUDITED STANDALONE FINANCIAL RESULTS

FOR THE QUARTER ENDED 31ST DECEMBER 2010

(All amounts are in ₹ lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended		Nine month ended		Previous financial year ended
		31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09	31-Mar-10
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Income from operations	34	147	220	193	320
	b) Other operating income	-	-	-	-	-
2	Expenditure					
	a) Data acquisition cost	122	58	122	338	338
	b) Employee costs	792	251	1,859	1,200	1,759
	c) Depreciation, depletion & amortization	-	1	1	3	5
	d) Legal & professional charges	274	342	1,303	932	2,123
	e) Administration costs	385	232	904	664	907
	f) Foreign exchange fluctuation	7	-	-	-	-
	g) Exploration costs	2,348	4,103	4,307	5,774	11,912
	h) Total	3,928	4,987	8,496	8,911	17,044
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**(3,894)**	**(4,840)**	**(8,276)**	**(8,718)**	**(16,724)**
4	Other Income	2,406	3,474	6,542	12,990	16,016
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**(1,488)**	**(1,366)**	**(1,734)**	**4,272**	**(708)**
6	Interest and finance costs	5,208	2,836	16,841	2,860	6,628
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**(6,696)**	**(4,202)**	**(18,575)**	**1,412**	**(7,336)**
8	Exceptional Items	-	-	-	-	-
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**(6,696)**	**(4,202)**	**(18,575)**	**1,412**	**(7,336)**
10	Tax expense					
	a) Current tax	-	(585)	-	941	440
	b) Fringe benefit tax	-	-	-	(881)	(881)
	c) Total	-	(585)	-	60	(441)
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-10)**	**(6,696)**	**(3,617)**	**(18,575)**	**1,352**	**(6,895)**
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**(6,696)**	**(3,617)**	**(18,575)**	**1,352**	**(6,895)**

Sr. No.	Particulars	Quarter ended		Nine month ended		Previous financial year ended
		31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09	31-Mar-10
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
14	Paid-up Equity Share Capital (Face value of ₹ 10 each)	190,074	189,667	190,074	189,667	189,697
15	Reserves excluding Revaluation Reserves					2,999,337
16	Earning/(Loss) per share in ₹ (not annualized)					
	a) Basic earnings/(loss) per share	(0.35)	(0.19)	(0.98)	0.07	(0.36)
	b) Diluted earnings/(loss) per share	(0.35)	(0.19)	(0.98)	0.07	(0.36)
17	Public Shareholding					
	- Number of shares	717,492,615	713,424,025	717,492,615	713,424,025	713,730,341
	- Percentage of shareholding	37.75%	37.61%	37.75%	37.61%	37.62%
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	1,183,243,791	1,183,243,791	1,183,243,791	1,183,243,791
	-Percentage of shares (as a % of the total share shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	-Percentage of shares (as a % of the total share capital of the Company)	62.25%	62.39%	62.25%	62.39%	62.38%

Notes:-

1. The above unaudited financial results for the current quarter were subjected to a limited review by the auditors of the Company and reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 10th February 2011.

2. Employee costs for the current quarter and nine month period include stock option charge of ₹ 220 lakhs and ₹ 685 lakhs respectively, computed under the Intrinsic Value Method. The said charge for the current quarter and nine month period would have been ₹ 1,356 lakhs and ₹ 4,326 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

3. 3,281,463 additional equity shares were issued during the current quarter on exercise of stock options by the employees of the Cairn India Group.

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 and the Hon'ble High Court of Bombay; however, it is pending

for approval from other regulatory authorities. Pending receipt of such approvals, no accounting impact of the scheme has been given in the results.

6. The holding company of Cairn India Ltd., Cairn UK Holdings Limited, along with its holding company, Cairn Energy Plc. (Company's ultimate holding company) has agreed to sell a substantial part of its investment in the Company to Twin Star Holdings Ltd. and Vedanta Resources Plc. This transaction has been approved by shareholders of both Cairn Energy Plc. and Vedanta Resources Plc. However, pending receipt of certain regulatory approvals, Cairn Energy Plc. has been treated as the promoter of the Company and disclosures have been made accordingly.

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

8. Information on investors' complaints for the quarter: opening-Nil, received-19, disposed-19, and closing-Nil.

9. Previous quarter / nine month / year figures have been regrouped / rearranged wherever necessary to confirm to the current quarter's presentation.

For and on behalf of the Board of Directors

Place: New Delhi

Rahul Dhir

Date: 10 February, 2011

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 in Sri Lanka.
- "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 Tamil Nadu, 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 62.25% 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 Rajasthan, Cairn India operates Block RJ-ON-90/1 under a Production Sharing Contract signed on 15 May, 1995. The main Development Area (1,859 km^2), which includes Mangala, Aishwariya, Raageshwari and Saraswati is shared between Cairn India and ONGC, with Cairn India holding 70% and ONGC having exercised their back in right for 30%. Further Development Areas (430 km^2), including the Bhagyam and Shakti fields and (822 $km^{2)}$ comprising of the Kaameshwari West Development Area, is also shared between Cairn India and ONGC in the same proportion.
- Cairn made a major oil discovery (Mangala) in Rajasthan in the north west of India at the beginning of 2004. To date, twenty five discoveries have been made in the Rajasthan block RJ-ON-90/1.
- The Operating Committee for Block RJ-ON-90/1 consists of Cairn India and ONGC.
- India currently imports more than 2.4 million bopd. The domestic production is approximately 0.7 million bopd of which approximately 170,000 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

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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
E&P	Exploration and Production
FY	Financial Year
GBA	Gas Balancing Agreement
GoI	Government of India
Group	the Company and its subsidiaries
JV	Joint Venture
MBA	Mangala, Bhagyam and Aishwariya
MPT	Mangala Processing Terminal
MC	Management Committee
NELP	New Exploration Licensing Policy
ONGC	Oil and Natural Gas Corporation Limited
OC	Operating Committee
QoQ	Quarter on Quarter
YoY	Year on Year

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 Formation 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 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.