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For Immediate Release **28 January 2010**

Cairn India Limited Third Quarter Financial Results for the period ended 31 December 2009

The following commentary is provided in respect of the unaudited financial results and operational achievements of Cairn India Limited and its subsidiary companies (referred to as "Cairn India") during the third quarter of 2009-10. Please note that the financial year 2009-10 (FY 09-10) refers to the period April 2009 - March 2010.

FINANCIAL HIGHLIGHTS

- Cash flow from operations for Q3 FY 2010 was INR 2,769 million (USD 59 million) on the strength of Rajasthan volumes; almost three times higher than the previous quarter
- Repaid earlier borrowings of USD 850 million by drawing upon USD 660 million out of the USD 1.6 billion facility secured in October 2009 with the remainder drawn from existing cash balances
- Gross cumulative Rajasthan development capex spend to date USD 2,069 million, of which USD 223 million was spent during Q3 FY 2010

OPERATIONAL HIGHLIGHTS

- Q3 FY 2010 gross production was 66,843 barrels of oil equivalent per day (boepd) (63,005 boepd in the corresponding quarter of the previous year) and the working interest production was 24,599 boepd (16,591 boepd in the corresponding quarter of the previous year)
- Mangala average gross production in Q3 FY 2010 was 15,430 barrels of oil per day (bopd); currently producing ~20,000 bopd and more than 1.5 million barrels (mmbbls) produced since field start-up in August 2009 through Train One
- Construction of processing Trains Two and Three at the Mangala Processing Terminal (MPT) is targeted to attain capacity of 125,000 bopd by end of H1 CY 2010
- The entire pipeline section from MPT to Salaya has been laid and commissioning is in progress
- Work ongoing to align near term sales volumes with production capacity. Discussions continue with Government of India (GoI) and buyers to optimise offtake during the ramp up
- Mangala development drilling progresses as planned; 43 development wells drilled to date of which 33 have been completed to support production ramp up; well results confirm the excellent quality and high deliverability potential of the Fatehgarh Formation reservoirs
- Eight Raageshwari Deep gas wells successfully drilled to ensure gas supply to fuel the MPT steam turbine generators and to heat the crude pipeline; one well successfully hydraulically fractured (hydro-fracced) which tested to a gas rate of 15.7 mmscfd (million standard cubic feet of gas per day), the highest ever recorded in the field
- Crude oil sales to Reliance Industries Limited (RIL), Jamnagar commenced as the GoI allowed private refiners to qualify as additional offtakers of the Rajasthan crude

- Delivered four parcels to MRPL and two parcels to RIL in Q3 FY 2010; trial parcels to IOC to commence soon

- 4D seismic campaign has started in the Ravva block to identify bypassed oil zones and confirm targets for infill drilling

- Exploration campaigns started in the Palar-Pennar Basin (offshore East Coast of India) and the Mannar Basin in Sri Lanka with the acquisition of 3D seismic data

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

"The ongoing development drilling confirms the excellent quality of the reservoir and reinforces our conviction of the long term potential of the Rajasthan fields.

The construction of the crude oil pipeline from MPT to Salaya is a significant achievement. This pipeline will provide the critical infrastructure needed to connect the oil fields in the Barmer basin to the markets."

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FINANCIAL REVIEW

In Q3 FY 2010, the gross production of the operating units was 66,843 boepd (63,005 boepd in the corresponding quarter of the previous year) and working interest production was 24,599 boepd (16,591 boepd in the corresponding quarter of the previous year). Current quarter production numbers include gross production of 15,430 boepd and working interest production of 10,801 boepd from the Rajasthan block.

The average oil price realisation in Q3 FY 2010 was USD 73.8/bbl and for the corresponding quarter of the previous year was USD 56.4/bbl. The gas price realisation in Q3 FY 2010 was USD 4.5/mscf and for the corresponding quarter of the previous year was USD 4.0/mscf.

Average price realisation per boe was USD 66.9 in Q3 FY 2010 and for the corresponding quarter of the previous year was USD 47.1.

The consolidated revenue of Cairn India for Q3 FY 2010 was INR 4,955 million (USD 106 million) as compared to INR 2,108 million (USD 43 million) in the corresponding quarter of the previous year.

The consolidated profit after provision for tax for Q3 FY 2010 was INR 2,910 million (USD 62 million) as compared to INR 2,364 million (USD 49 million) for the corresponding quarter of the previous year.

“Cash flow from operations”, worked out as profit after tax (excluding other income) prior to non-cash expenses (non-cash employee cost, depreciation, depletion, amortization and deferred tax) and exploration cost was INR 2,769 million (USD 59 million) for Q3 FY 2010 as compared to INR 979 (USD 20 million) for the corresponding quarter of the previous year.

Cash available as at 31 December 2009 was INR 27,569 million (USD 591 million) and the loan drawn down till 31 December 2009 against the loan facility of USD 1.6 billion was INR 32,102 million (USD 688 million).

Amounts shown in USD are converted based on average exchange rate for the Q3 FY 2010 of INR 46.60 for revenue items and at the closing exchange rate as on 31 December 2009 of INR 46.67 in respect of cash balance (average rate of the corresponding quarter of the previous year was INR 48.72).

Cairn India’s USD 1.6 billion financing deal has been awarded the “Oil & Gas Deal of the Year” for Asia Pacific region by PFI - Project Finance International (Thomson Reuters group).

The syndication process of the facilities has been successfully completed with a total of 14 banks joining the two groups i.e. USD Facility for 750 million and INR Facility for 40 billion. The demand is an indication of the lenders’ faith and confidence in the Rajasthan project.

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OPERATIONAL REVIEW

Gross operated production for the third quarter was 66,843 boepd (working interest 24,599 boepd). The average crude oil price realisation this quarter was USD 73.8/bbl and the average gas price was USD 4.5/mscf resulting in an average price realisation of USD 66.9/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 Mangala, Bhagyam and Aishwariya (MBA) fields have recoverable oil reserves and resources of nearly 1 billion barrels, which includes proven plus probable (2P) gross reserves and resources of 685 million barrels of oil equivalent (mmboe) with a further 300 mmboe or more of Enhanced Oil Recovery (EOR) potential.

More than 12,000 people are currently involved in the construction of both the upstream and midstream projects. More than 35 million LTI free manhours have been achieved in Upstream 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 JV is able to produce and process the approved peak plateau production of 175,000 bopd in 2011.

Train one, with a capacity to process 30,000 bopd, has been commissioned and handles current Mangala production. The crude oil is being evacuated via trucking to the Gujarat coast for onward transport to MRPL and RIL, using heated crude oil tankers.

Mangala production will continue to build during the ramp up phase; average gross production was 15,430 bopd in Q3 FY 2010; with current production of ~20,000 bopd.

All equipment for Train Two (capacity of 50,000 bopd) has been erected and pre commissioning activities are underway and along with Train Three is targeted to attain a capacity of 125,000 bopd at the MPT by end of H1 CY 2010.

Construction of the Raageshwari gas Terminal and the Thumbli water field (saline aquifer) have been completed. Work on the well pads, in-field pipelines, processing facilities, buildings, power generation and associated utilities are at an advanced stage of completion.

Development drilling and the well completion activities are currently underway with two drilling rigs and one completion rig operating in the Mangala development area. A third drilling rig will commence drilling operations in Rajasthan in Q1 CY 2010. 43 development wells have been drilled of which 33 wells have been completed and made ready for initial production.

Adding on to the success of the first horizontal well at Mangala, which tested at an oil production rate of more than 11,500 bopd, Cairn has successfully drilled and completed two more horizontal wells in Mangala. Five wells are currently producing and the other wells will be brought on stream in a staged manner during the ramp-up period. 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, the first well tested in Raag-14 proved a gas rate of 15.7 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 is 590 km and has been laid. Hydro-testing is in progress to facilitate completion and commissioning of the pipeline.

Work is in progress to align near term sales volumes with production capacity. Discussions continue with GoI and buyers to optimise offtake during the ramp up.

Gas has been introduced into the gas pipeline section to Radhanpur to help commission the crude oil pipeline. The crude oil pipeline section from MPT to Radhanpur is in advanced stages of commissioning.

Construction activity is at an advanced stage of completion at the Viramgam Terminal location and on all the 33 Above Ground Installation stations and the Salaya distribution hub. More than 95% of the construction activities have been completed on the route of the pipeline.

In-principle approvals for the Salaya to Bhogat section have been obtained and the necessary land purchase has been completed. Bhogat lies on the Gujarat coast and provides further flexibility in respect of future offtake volumes.

Crude – Sales

GoI has nominated MRPL, IOC and HPCL for the offtake of initial crude quantities from the Rajasthan Block for the period 2009-10 and 2010-11. Four parcels have been delivered to MRPL and been processed successfully.

GoI has also agreed for private refiners to qualify as additional offtakers of the Rajasthan crude. Cairn India has been successful in reaching an agreement to supply Mangala crude to RIL at Jamnagar. The crude is currently being trucked to the Gujarat coast and then being shipped to MRPL and RIL. The supplies have commenced and two parcels have been delivered to RIL.

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

GoI has approved the establishment of additional/multiple Delivery Points at Radhanpur and Viramgam for sales to IOC's Panipat and Koyali refineries respectively and an additional Delivery Point at Kandla port for delivery of crude to MRPL and other coastal refineries, until the pipeline for transporting crude from Barmer to Bhogat is operational.

The commercial terms and pricing negotiations for the initial offtake of the Rajasthan crude have been concluded with GoI nominees, IOC and MRPL and private refiner, RIL. 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 December 2009.

The oil from Rajasthan is categorised as medium gravity and is of a sweet grade with low sulphur content of about 0.1% by weight. While the crude has a high pour point and viscosity due to its waxy nature, it makes an excellent secondary processing feedstock for refiners.

Resource base including enhanced oil recovery (EOR)

Cairn India is at an advanced stage of preparation to conduct an EOR pilot trial in the Mangala field. The current assessment of the EOR resource base is more than 300 mmbbls of incremental recoverable oil from the MBA fields. The drilling of the EOR pilot wells is expected to commence in Q1 CY 2010.

Cairn India is also in the final stages of planning to carry out pilot work to evaluate the Barmer Hill formation over the Mangala and Aishwariya fields currently estimated to hold around 400 mmbbls of oil in place in tighter reservoir rocks (lower permeabilities).

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 and Cairn is preparing for drilling at least two exploration wells in CY 2010.

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 Q3 FY 2010 was 38,668 boepd (comprising an average oil production of 30,957 bopd and average gas production of 46.26 mmscfd).

Originally estimated to produce 101 million barrels of crude oil, the field has already produced around 223 million barrels. Cairn is confident of the field's considerable remaining reserve potential and of producing more oil from this block before the expiry of the PSC primary term in 2019.

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 commenced the 4D seismic campaign to identify bypassed oil zones within the field and the scope of further reserve addition through infill drilling.

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 was 12,744 boepd (comprising an average oil / condensate production of 8,998 bopd and average gas production of 22.48 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.

Cairn India has signed a Term Sheet agreement to produce Gauri share of GBA (Gas Balancing Agreement - for sharing of gas from the shared reservoir formation) gas through the Hazira facilities on 8 December 2009. The gas production and sales commenced on 9 December 2009. This is a first of its kind arrangement in the country which showcases the company's commitment to produce gas in the most economical manner and contribute to the nation's energy security.

Cairn India – Exploration – Other Assets

In addition to the ongoing exploration activities in the three producing blocks, Cairn India currently has exploration interests in seven blocks in India and one in Sri Lanka, four 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, Indus Basin, Ganga Valley and the Mannar Basin offshore Sri Lanka. The Company made two successful bids in the NELP VIII licensing round, and was awarded the KG-OSN-2009/3 and MB-DWN-2009/1 blocks, subject to MoPNG approval. The Company has completed its work programme commitments in the Ganga Valley exploration blocks GV-ONN-2002/1 and GV-ONN-2003/1.

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.

The five operated wells are to be drilled in KG-ONN-2003/1 in Q1 and Q2 CY 2010, as the commitment work programme in this block. The preparations for the exploration campaign in this block are well advanced with the first drill site ready and 4 others at an advanced stage of preparation. The company plans to commence drilling in Q1 CY 2010.

The acquisition of 3D seismic in the Palar-Pennar Basin (offshore Andhra Pradesh / Tamil Nadu) has started with the completion of data acquisition expected in Q1 CY 2010. This new seismic acquisition positions Cairn India for an extensive drilling programme in this block in 2010-11.

In the non-operated blocks, the GSS031NAA-1 well was spudded by the JV operator ONGC to test Tertiary limestones in the GS-OSN-2003/1 block. The Company expects to reach the total depth (TD) in Q1 CY 2010.

The first of the 3 deep water appraisal wells, U-1-EXT-OCA-AA, was spudded in block KG-DWN-98/2 by JV operator ONGC during Q4 CY 2009 with the remainder of the appraisal wells being drilled by end Q2 CY 2010. These wells are to appraise the existing gas discovery in the block. The Company expects to reach the total depth (TD) in the U-1-EXT-OCA-AA well during Q1 CY 2010

Cairn Lanka Private Limited, the wholly owned subsidiary of Cairn India, commenced its 3D seismic survey in the Mannar Basin in Sri Lanka on the 10 December 2009 and is making excellent progress. The programme will fulfil the commitment of 1,450 km^2 of 3D seismic data acquisition.

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2009

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

Sr. No.	Particulars	Quarter ended		Nine months ended		Previous Financial Period ended 31-Mar-09 (15 months)
		31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08	
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Income from operations	49,546	21,082	93,020	93,508	143,267
	b) Other operating income	-	-	-	-	-
2	Expenditure					
	a) (Increase)/Decrease in stock-in-trade	(6,520)	908	(10,662)	2,151	2,223
	b) Operating expenses	13,417	3,586	24,054	13,077	21,297
	c) Employees cost	4,069	2,711	8,334	7,226	11,452
	d) Depreciation, depletion & amortization	2,997	3,258	11,035	16,226	26,980
	e) Share issue expenses	-	-	-	2,040	2,084
	f) Administration cost	3,852	4,377	10,026	9,514	15,235
	g) Exploration cost	4,404	3,754	8,663	8,823	16,839
	h) Foreign exchange fluctuation	-	-	-	-	-
	i) Total	22,219	18,594	51,450	59,057	96,110
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**27,327**	**2,488**	**41,570**	**34,451**	**47,157**
4	Other Income	9,985	14,510	33,444	40,844	50,716
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**37,312**	**16,998**	**75,014**	**75,295**	**97,873**
6	Interest and finance cost	2,600	61	2,761	395	641
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**34,712**	**16,937**	**72,253**	**74,900**	**97,232**
8	Exceptional Items	-	-	-	-	1,557
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**34,712**	**16,937**	**72,253**	**74,900**	**98,789**
10	Tax expense					
	a) Current tax	7,007	610	17,382	3,983	11,108
	b) MAT credit entitlement	(4,862)	-	(11,024)	-	-
	c) Deferred tax	3,471	(7,100)	(13,643)	3,286	6,234
	d) Fringe benefit tax	-	(215)	(1,052)	799	1,102
	e) Total	5,616	(6,705)	(8,337)	8,068	18,444
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-10)**	**29,096**	**23,642**	**80,590**	**66,832**	**80,345**

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Sr. No.	Particulars	Quarter ended		Nine months ended		Previous Financial Period ended 31-Mar-09 (15 months)
		31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08	
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**29,096**	**23,642**	**80,590**	**66,832**	**80,345**
14	Paid-up Equity Share Capital (Face value of Rs.10 each)	189,667	189,667	189,667	189,667	189,667
15	Reserves excluding Revaluation Reserves					3,086,676
16	Earning/(Loss) per share in rupees (not annualized)					
	a) Basic earnings/(loss) per share	1.53	1.25	4.25	3.55	4.31
	b) Diluted earnings/(loss) per share	1.53	1.24	4.23	3.53	4.28
17	Public Shareholding					
	- Number of shares	713,424,025	669,824,025	713,424,025	669,824,025	669,824,025
	- Percentage of shareholding	37.61%	35.32%	37.61%	35.32%	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	1,226,843,791
	-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)	62.39%	64.68%	62.39%	64.68%	64.68%

Notes:-

1. The above unaudited financial results for the current quarter have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 28th January 2010 and have been subjected to a limited review by the auditors of the Company.

2. The previous accounting period of Cairn India Group (“the Group”) was for fifteen months from 1st January 2008 to 31st March 2009. Hence, the information pertaining to the nine months period ended 31st December 2008 has been provided by aggregating the reviewed figures for the quarters ended 30th June 2008, 30th September 2008 and 31st December 2008 to facilitate comparison.

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

4. Employee costs for the current quarter and nine months include stock option charge of INR 2,572 lakhs and INR 4,066 lakhs respectively, computed under the Intrinsic Value Method. The said charge

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for the current quarter and nine months would have been INR 3,297 lakhs and INR 6,999 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

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. Other income for the current quarter and nine months includes (a) income from investments of INR 3,594 lakhs and INR 13,272 lakhs respectively and (b) foreign exchange fluctuation of INR 6,391 lakhs and INR 20,172 lakhs respectively.

7. The Board of Directors of the Company at its meeting held on 9th December 2009 has approved a Scheme of Arrangement between Cairn India Limited ("CIL") and some of its wholly owned subsidiaries. After the implementation of this Scheme of Arrangement, CIL will directly own the interests/businesses, which are currently owned by some of its wholly owned subsidiaries. The scheme is subject to necessary regulatory approvals. Pending receipt of such approvals, no accounting impact of the same has been given to the above results.

8. Previous quarter / period / 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: Gurgaon
Date: 28 January 2010

Rahul Dhir
Managing Director and Chief Executive Officer

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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2009

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

Sr. No.	Particulars	Quarter ended		Nine months ended		Previous Financial Period ended 31-Mar-09 (15 months)
		31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08	
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Income from operations	147	99	193	251	373
	b) Other operating income	-	-	-	-	-
2	Expenditure					
	a) (Increase)/Decrease in stock-in-trade	-	-	-	-	-
	b) Operating expenses	58	-	338	2	362
	c) Employees cost	251	274	1,200	734	2,125
	d) Depreciation, depletion & amortization	1	2	3	3	4
	e) Legal & professional charges	342	579	932	1,704	2,823
	f) Share issue expenses	-	-	-	2,040	2,084
	g) Administration cost	232	286	664	1,203	1,222
	h) Exploration cost	4,103	1,382	5,774	4,578	8,136
	i) Foreign exchange fluctuation	-	173	-	1,081	1,806
	j) Total	4,987	2,696	8,911	11,345	18,562
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**(4,840)**	**(2,597)**	**(8,718)**	**(11,094)**	**(18,189)**
4	Other Income	3,474	7,465	12,990	20,355	27,873
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**(1,366)**	**4,868**	**4,272**	**9,261**	**9,684**
6	Interest and finance cost	2,836	7	2,860	7	34
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**(4,202)**	**4,861**	**1,412**	**9,254**	**9,650**
8	Exceptional Items	-	-	-	-	1,557
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**(4,202)**	**4,861**	**1,412**	**9,254**	**11,207**
10	Tax expense					
	a) Current tax	(585)	593	941	970	5,438
	b) MAT credit entitlement	-	-	-	-	-
	c) Deferred tax	-	-	-	-	-
	d) Fringe benefit tax	-	(244)	(881)	295	345
	e) Total	(585)	349	60	1,265	5,783
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-10)**	**(3,617)**	**4,512**	**1,352**	**7,989**	**5,424**

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		31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08	
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**(3,617)**	**4,512**	**1,352**	**7,989**	**5,424**
14	Paid-up Equity Share Capital (Face value of Rs.10 each)	189,667	189,667	189,667	189,667	189,667
15	Reserves excluding Revaluation Reserves					3,005,523
16	Earning/(Loss) per share in rupees (not annualized)					
	a) Basic earnings/(loss) per share	(0.19)	0.24	0.07	0.42	0.29
	b) Diluted earnings/(loss) per share	(0.19)	0.24	0.07	0.42	0.29
17	Public Shareholding					
	- Number of shares	713,424,025	669,824,025	713,424,025	669,824,025	669,824,025
	- Percentage of shareholding	37.61%	35.32%	37.61%	35.32%	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	1,226,843,791
	-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)	62.39%	64.68%	62.39%	64.68%	64.68%

Notes:-

1. The above unaudited financial results for the current quarter have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 28th January 2010.

2. The previous accounting period of the Company was for fifteen months from 1st January 2008 to 31st March 2009. Hence, the information pertaining to the nine months period ended 31st December 2008 has been provided by aggregating the reviewed figures for the quarters ended 30th June 2008, 30th September 2008 and 31st December 2008 to facilitate comparison.

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

4. Employee costs for the current quarter includes a net credit of INR 99 lakhs (due to cancellation of options) and a charge of INR 175 lakhs for the nine months period ended 31st December 2009, representing the amortization of the stock option expense, computed under the Intrinsic Value

Method. The said charge would have been INR 460 lakhs and INR 2974 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

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

7. Other income for the quarter and nine months includes income from investments of INR 3,310 lakhs and INR 12,458 lakhs respectively and foreign exchange fluctuation of INR 164 lakhs and INR 532 lakhs respectively.

8. The number of investors' complaints received and disposed of during the quarter were as follows-

(a)	Pending at the beginning of the quarter	3
(b)	Received during the quarter	33
(c)	Disposed of during the quarter	35
(d)	Pending at the end of the quarter	1

9. As on 31st December 2009, the Company and its subsidiaries together have utilized the entire IPO proceeds of INR 882,489 lakhs, as per the following details-

	Particulars	**INR in lakhs**
(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**

10. The Board of Directors of the Company at its meeting held on 9th December 2009 has approved a Scheme of Arrangement between Cairn India Limited ("CIL") and some of its wholly owned subsidiaries. After the implementation of this Scheme of Arrangement, CIL will directly own the interests/businesses, which are currently owned by some of its wholly owned subsidiaries. The scheme is subject to necessary regulatory approvals. Pending receipt of such approvals, no accounting impact of the same has been given to the above results.

11. Previous quarter / period / 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: Gurgaon
Date: 28 January 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 62.39% shareholding in Cairn India Limited.
- Cairn India holds material exploration and production positions in 10 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 56,000 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
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
GBA	Gas Balancing Agreement

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.

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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.