



For Immediate Release

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CAIRN INDIA

Community initiatives in Rajasthan to improve water availability in Barmer area

Various projects and initiatives aimed at improving the availability of drinking water in the Barmer area are being supported by Cairn India. As part of its funding programme to improve drinking water Cairn India has recently presented the District Collector of Barmer, Mr. Subir Kumar, a cheque of Rs 6.5 lakhs to help set up facilities to desalinate water. Through this programme Reverse Osmosis (RO) filter plants will be set up at thirteen Community Health Centres in the Barmer district.

The Company is also supporting initiatives to establish water harvesting structures with the village panchayat acting as the implementing agency for the projects. In partnership with local NGOs and Panchayats to date more than 1300 structures have been built with financial assistance from Cairn India. Rural households are involved in constructing the rainwater harvesting structures in their respective villages.

Cairn India has made a commitment to the Government of Rajasthan that for its own drilling operations; the company will only use water from saline aquifers. To understand and define the extent, nature and status of the fresh water resource in the Barmer area Cairn India commissioned a Fresh Water Study. The findings provided information for the relevant authorities who are responsible for water management in the area.

As part of its initiatives to support the local communities in the last 12 months to improve the level of education, health and drinking water in the Barmer district, the company has contributed close to Rs 29.63 lakhs towards education, Rs 37.84 lakhs for healthcare services and Rs 56.48 lakhs for drinking water. Cairn has also provided Rs 92.59 lakhs for infrastructure support, Rs 1.8 crore for flood relief and Rs 27.79 lakhs on other social projects.

To help sustain the educational programmes in Barmer, Cairn India has contributed Rs 11.5 lakhs for the purchase of LPG stoves to support the mid-day meal scheme at the primary schools, Rs 10 lakhs for purchase of furniture and computer for Secondary and Senior Secondary Schools. Cairn India has also contributed Rs 2 lakhs towards welfare of war-widows, Rs 1.5 lakh for supporting the school at Police Lines, Barmer. The Company has also extended its support to develop a recreation park for the local community.

Mr. H. P. Bhalla, Director Business services, of Cairn India, said, "Cairn India aims to make a difference wherever it operates. The company at all times aims to work in partnership with local communities on a variety of projects."

About Cairn India Limited

- "Cairn India" where referred to in the release means Cairn India Limited and/or its subsidiaries, as appropriate
- "Cairn" where referred to in this release means Cairn Energy PLC and/or its subsidiaries (including Cairn India), as appropriate.
- Cairn India is headquartered in Gurgaon on the outskirts of Delhi, with operational offices in Chennai, Gujarat, Andhra Pradesh and Rajasthan.
- On 9 January 2007, Cairn successfully concluded the flotation of its Indian business with the commencement of trading of Cairn India Limited on the Bombay Stock Exchange and the National Stock Exchange of India. Cairn Energy PLC currently holds a majority shareholding in Cairn India Limited.
- Cairn India is currently focused on exploration and production in India where it has a working interest in 15 blocks, two of which are producing hydrocarbons. The company holds material exploration and production positions in west India, east India along with new exploration rights elsewhere in India.
- This focus on India has already resulted in a significant number of oil and gas discoveries. In particular, Cairn India made a major oil discovery (Mangala) in Rajasthan in the north west of India at the beginning of 2004. Cairn India has now made 20 discoveries 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 km²), 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 km²), including the Bhagyam and Shakti fields, is also shared between Cairn India and ONGC in the same proportion.

- India currently imports approximately 2,000,000 barrels of oil per day (bopd). It produces approximately 700,000 bopd itself of which approximately 50,000 bopd comes from the Cairn India operated Ravva field on the east coast of India
- For further information on Cairn India Limited see www.cairnindia.com

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