



For Immediate Release

26 November, 2013

Cairn India Limited

Board proposes Buyback of Equity Shares

Cairn India Limited ("CIL" or "Company") announces the proposal for Buyback of its Equity Shares.

The Board of Directors of the Company in its meeting held on 26 November, 2013 has approved a proposal for the Buyback of Equity Shares of the Company from its existing shareholders, other than the Company's promoters, promoter group, persons in control and persons acting in concert.

The Buyback would be done from the open market through the Stock Exchanges, at a price not exceeding Rs. 335 per Equity Share, up to an aggregate amount not exceeding Rs. 5,725 crores.

The maximum Buyback price represents over 4% premium compared to the average of the weekly high and low of the closing share price of the Company during the last two weeks.

With the above mentioned limits of the proposed Buyback, the Indicative maximum number of Equity Shares of Rs.10 each that can be bought back would be 170,895,522, resulting in the reduction of Equity Capital by approximately 8.9%.

The Buyback comes on the backdrop of strong cash flows generated by the Company through its operational excellence and the World class asset base. The Company is currently producing over 213,000 boepd and is on track to meet year-end target of over 225,000 barrels of oil equivalent per day from all producing assets.

This proposal is a shareholder reward mechanism through decrease in the equity share capital and a consequent increase in the Earnings per Share of the Company. The Company believes that the Buyback will improve shareholder returns while maintaining the current dividend payout ratio as per the approved policy.

The proposed Buyback is subject to approval of the shareholders of the Company and other regulatory approvals, as may be required. The Company will be seeking approval of the shareholders of the Company by way of a special resolution to be passed through postal ballot as per applicable provisions of the Companies Act, the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998 and other applicable provisions.

Post receipt of approval of the shareholders and such other sanctions and approvals as may be required the Company is expected to initiate the Buyback process in January, 2014.

Mr. Sudhir Mathur, CFO, Cairn India said:

"We are happy to announce yet another shareholder reward mechanism in addition to the interim dividend declared last month. This comes on the back of strong operational excellence and robust financials.

The company continues to work on its US\$ 3 billion capex program over next three years till FY16 and is well placed to develop its current asset base and monetize the existing exploration opportunities with the objective of strengthening its E&P portfolio."

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Cairn India Limited Fact Sheet

On 9 January, 2007, Cairn India Limited was listed on the Bombay Stock Exchange and the National Stock Exchange of India. Cairn India is now part of the Vedanta Group, a globally diversified natural resources group.

Cairn India is headquartered in Gurgaon in the National Capital Region. The Company has operational offices in India including Andhra Pradesh, Gujarat, Rajasthan, Tamil Nadu and International offices in Colombo and London.

Cairn India is one of the largest independent oil and gas exploration and production companies in India. Together with its JV partners, Cairn India accounts for around one fourth of India's domestic crude oil production. Average daily gross operated production was 213,299 boe in Q2 FY2013-14. The Company sells its oil to major refineries in India and its gas to both PSU and private buyers.

The Company has a world-class resource base, with interest in seven blocks in India, one in Sri Lanka and one in South Africa. Cairn India's resource base is located in four strategically focused areas namely one block in Rajasthan, two on the west coast of India, five on the east coast of India (including one in Sri Lanka) and one in South Africa.

The blocks are located in the Barmer Basin, Krishna-Godavari Basin, the Palar-Pennar Basin, the Cambay Basin, the Mumbai Offshore Basin, the Mannar Basin and Orange Basin.

Cairn India's focus on India has resulted in a significant number of oil and gas discoveries. Cairn India made a major oil discovery (Mangala) in Rajasthan in the north west of India at the beginning of 2004. To date, twenty six discoveries have been made in the Rajasthan block RJ-ON-90/1 and the exploration and appraisal drilling campaign is targeting over 530 million barrels of gross recoverable risked prospective resources.

In Rajasthan, Cairn India operates Block RJ-ON-90/1 under a PSC signed on 15 May, 1995. The main Development Area (1,859 km²), which includes discoveries namely 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%. The Operating Committee for Block RJ-ON-90/1 consists of Cairn India and ONGC.

Further Development Areas (430 km²), including the Bhagyam and Shakti fields and (822 km²) comprising of the Kaameshwari West Development Area, is also shared between Cairn India and ONGC in the same proportion. The Mangala, Bhagyam and Aishwariya

(MBA) fields have gross recoverable oil reserves and resources of over 900 million barrels, which includes proved plus probable (2P) gross reserves and resources of 635 mmmboe with a further 270 mmmboe or more of EOR resource potential. The total resource base supports a vision to produce 300,000 boepd, (equivalent to a contribution of more than 35% of India's current domestic crude production), subject to further investments and regulatory approvals.

In Andhra Pradesh and Gujarat, Cairn India on behalf of its JV partners operates two processing plants, 11 platforms and more than 200 km of sub-sea pipelines with a production of over 38,000 boepd.

Block SL-2007-01-001 was awarded to Cairn Lanka in the bid round held in 2008. This offshore block is located in the Gulf of Mannar. The water depths range from 400 to 1,900 meter. Cairn Lanka is a wholly owned subsidiary of CIG Mauritius Private Limited under Cairn India and holds a 100% participating interest in the block. The signing of the Petroleum Resources Agreement (PRA) to explore oil and natural gas in the Mannar Basin was held in July 2008 in Colombo.

The farm-in agreement was signed with PetroSA on 16 August, 2012 in the 'Block-I' located in Orange basin, South Africa. The block covers an area of 19,922 sq km. The assignment of 60% interest and operatorship has been granted by the South African regulatory authorities.

India currently imports 3.5* million bopd of crude oil. The current domestic crude oil production is approximately 0.76** million bopd of which Cairn India operated assets (Ravva, CB/OS-2 and the RJ-ON-90/1) contributes over one-fourth.

For further information on Cairn India Limited & Cairn Lanka (Pvt) Limited see www.cairnindia.com and www.cairnlanka.com.

*BP Statistical Review of World Energy June 2013

**MoPNG April 2013 data



Corporate Glossary	
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Cairn India	Cairn India Limited and/or its subsidiaries as appropriate
Company	Cairn India Limited
Cairn Lanka	Refers to Cairn Lanka (Pvt) Ltd, a wholly owned subsidiary of Cairn India
Cash EPS	PAT adjusted for DD&A, impact of forex fluctuation, MAT credit and deferred tax
CFFO	Cash Flow from Operations includes PAT (excluding other income and exceptional item) prior to non-cash expenses and exploration costs.
CPT	Central Processing Terminal
CY	Calendar Year
DoC	Declaration of Commerciality
E&P	Exploration and Production
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation includes forex gain/loss earned as part of operations
EPS	Earnings Per Share
FY	Financial Year
GBA	Gas Balancing Agreement
Gol	Government of India
GoSL	Government of Sri Lanka
Group	The Company and its subsidiaries
JV	Joint Venture
MC	Management Committee
MoPNG	Ministry of Petroleum and Natural Gas
NELP	New Exploration Licensing Policy
ONGC	Oil and Natural Gas Corporation Limited
OC	Operating Committee
PRA	Petroleum Resources Agreement
PPAC	Petroleum Planning & Analysis Cell
qoq	Quarter on Quarter
SL	Sri Lanka
Vedanta Group	Vedanta Resources plc and/or its subsidiaries from time to time
yoy	Year on Year

Technical Glossary	
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2P	Proven plus probable
3P	Proven plus probable and possible
2D/3D/4D	Two dimensional/three dimensional/ time lapse
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
MDT	Modular Dynamic Tester
Mmboe	million barrels of oil equivalent
Mmscfd	million standard cubic feet of gas per day
Mmt	million metric tonne
PRDS	Petroleum Resources Development Secretariat
PSU	Public Sector Utilities
PSC	Production Sharing Contract

Field Glossary	
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Barmer Hill Formation	Lower permeability reservoir which overlies the Fatehgarh
Dharvi Dungar	Secondary reservoirs in the Guda field and is the reservoir rock encountered in the recent Kaameshwari West discoveries
Fatehgarh	Name given to the primary reservoir rock of the Northern Rajasthan fields of Mangala, Aishwariya and Bhagyam
Mannar Basin	Located in the Gulf of Mannar, situated on the NE shallow continental shelf of Sri Lanka
MBA	Mangala, Bhagyam and Aishwariya
Thumbli	Youngest reservoirs encountered in the basin. The Thumbli is the primary reservoir for the Raageshwari field



Disclaimer

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