CAIRN INDIA LIMITED
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For Immediate Release 28 October, 2010

Cairn India Limited
Second Quarter Financial Results
for the period ended 30 September, 2010

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 second quarter of financial year 2010-11. Please note that the financial year 2010-11 (FY 2010-11) refers to the period April 2010 - March 2011.

FINANCIAL HIGHLIGHTS

- Revenue up by more than 220% Quarter on Quarter (QoQ) at INR 26,864 million (USD 577 million); revenue represents a ten fold increase over Q2 FY 2009-10 driven by Rajasthan production
- Profit after tax (PAT) up more than five times QoQ at INR 15,851 million (USD 341 million)
- QoQ Cash flow from Operations up more than three times at INR 15,692 million (USD 337 million)
- Raised INR 22,500 million (USD 500 million) through INR Unsecured Non-convertible Debentures; reduced domestic financing to align with the current cash needs
- Gross cumulative Rajasthan development capital expenditure INR 120,855 million (USD 2,625 million) of which INR 6,992 million (USD 156 million) was spent during Q2 FY 2010-11

OPERATIONAL HIGHLIGHTS

- Sales (working interest) more than doubled QoQ at 93,097 barrels of oil equivalent per day (boepd) (Q1 FY 2010-11, 34,181 boepd) and higher by more than 500% compared to 15,275 boepd in the Q2 FY 2009-10
- Gross operated production up 74% QoQ at 165,385 boepd (Q1 FY 2010-11, 94,950 boepd) and higher by 173% compared to 60,480 boepd in the Q2 FY 2009-10
- Working Interest production up 110% QoQ at 94,304 boepd (Q1 FY 2010-11, 44,812 boepd) and higher by more than 400% compared to 18,638 boepd in the Q2 FY 2009-10
- Rajasthan gross field revenue crossed USD 1 billion in Q2 FY 2010-11

Rajasthan

- Completed one year of successful production from the Mangala field; sold more than 16 million barrels (mmbbls) to domestic refiners to date
- Rapid and safe Mangala field production ramp-up to its currently approved plateau rate of 125,000 barrels of oil per day (bopd); average gross production for Q2 FY 2010-11 was 116,058 bopd

- Safe delivery of more than 10 mmbbls of Mangala crude through the pipeline to private and PSU refineries in Q2 FY 2010-11

- Record setting high production rate horizontal wells and Mangala reservoir performance supports higher plateau levels; surface facilities and midstream infrastructure ready to support production of 150,000 bopd from Mangala, subject to Joint Venture (JV) and Government of India (GoI) approval

- Mangala development drilling progresses as planned across the field; 107 development wells drilled to date of which 74 are complete

- Mangala Enhanced Oil Recovery (EOR) pilot production and injection wells drilled and completed; start-up injection testing has commenced

- Bhagyam development and infrastructure extension commenced; contracts for construction of Train Four at Mangala Processing Terminal (MPT), extension of pipeline and marine terminal awarded

Other Assets

- Nagayalanka-1z Discovery in block KG-ONN-2003/1; preparation for further exploration and appraisal drilling in progress

- Ravva development and appraisal drilling to commence in Q3 FY 2010-11; processing of 4D seismic data underway

- Petroleum Exploration Licences obtained for the two blocks, KG-OSN-2009/3 and MB-DWN-2009/1, awarded under New Exploration Licensing Policy (NELP) – VIII bidding round

- Preparation for drilling campaign in Sri Lanka and Palar during H1 CY 2011 progressing well

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

"The first full quarter of sales through the pipeline to refineries has generated significant revenues from the Mangala field in Rajasthan.

Cairn India's development and operational efficiency has allowed it to quickly ramp up production to the currently approved plateau of 125,000 bopd with the potential to produce oil at an even higher rate from the Mangala field for our nation."

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FINANCIAL REVIEW

The consolidated revenue of Cairn India for Q2 FY 2010-11 was INR 26,864 million (USD 577 million); higher by 1069% as compared to INR 2,298 million (USD 47 million) in Q2 FY 2009-10.

"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 was INR 15,692 million (USD 337 million) for Q2 FY 2010-11; higher by 1,952% as compared to INR 765 million (USD 16 million) for Q2 FY 2009-10.

The consolidated profit after tax (PAT) for Q2 FY 2010-11 was INR 15,851 million (USD 341 million); higher by 238% as compared to INR 4,695 million (USD 97 million) for Q2 FY 2009-10.

Cash available as at 30 September 2010 was INR 26,415 million (USD 588 million) and the loan drawn down to 30 September 2010 was INR 34,139 million (USD 760 million).

Cairn India completed an innovatively structured financing by raising INR 22,500 million (USD 500 million) through INR Unsecured Non-convertible Debentures, at competitive commercial terms. The proceeds of this financing will be used to fund the repayment of the existing INR loan and other general corporate expenses. This access to the Indian Debt Capital Market is a first for Cairn India, which received subscription from a wide range of investors consisting of mutual funds and insurance companies.

Amounts shown in USD are converted based on average exchange rate for the Q2 FY 2010-11 of INR 46.53 for revenue items and at the closing exchange rate as on 30 Sep 2010 of INR 44.90 in respect of cash balance (average rate for Q2 FY 2009-10 was INR 48.43).

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 investment in the Company to Vedanta Resources Plc. This transaction has been approved by shareholders of Cairn Energy PLC. The transaction continues to progress in a consensual way to secure the necessary consents and approvals from the various government authorities and stakeholders.

OPERATIONAL REVIEW

In Q2 FY 2010-11, the gross production of the operating units was 165,385 boepd (60,480 boepd in Q2 FY 2009-10) and working interest production was 94,304 boepd (18,638 boepd in Q2 FY 2009-10).

The average oil price realisation in Q2 FY 2010-11 was USD 69.5 per bbl compared to USD 69.1 per bbl in Q2 FY 2009-10. The gas price realisation in Q2 FY 2010-11 was USD 4.5 per thousand standard cubic feet (mscf) compared to USD 3.9 per mscf in Q2 FY 2009-10.

Average price realisation per boe was USD 67.8 in Q2 FY 2010-11 compared to USD 59.6 in Q2 FY 2009-10.

The Rajasthan per barrel operating cost continues to decline as volumes increase.

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

Average gross production from the Rajasthan block for Q2 FY 2010-11 was 116,058 bopd and working interest production was 81,241 bopd.

The Mangala field, discovered in January 2004, commenced production a year ago. With the safe completion of Trains Two and Three, it has ramped up ahead of schedule to its currently approved peak plateau rate of 125,000 bopd. During one year of efficient and safe operations, the MPT has produced more than 16 mmbbls crude from the Mangala field, which has been sold to different domestic refiners.

Cairn India is committed to maintaining the highest Health, Safety and Environment (HSE) standards as well as building local capacity and top quartile HSE standards have been achieved against global benchmarks.

Development – Upstream

The MPT is designed to process crude from the Rajasthan fields and has a capacity to handle 205,000 bopd of crude with scope for further expansion. Trains One, Two and Three are currently producing and the contracts for construction of Train Four have been awarded with work expected to commence soon.

Cairn India and its JV partner ONGC, continue to develop the hydrocarbon resources within the state of Rajasthan with a sustained focus on cost and the application of innovative technology. 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 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 from the field supports higher plateau levels. Surface facilities and midstream infrastructure are ready to support production of 150,000 bopd from Mangala, subject to JV and GoI approval.

Development drilling and the well completion activities are progressing with three drilling rigs and one completion rig operating in the Mangala development area. 107 Mangala development wells have been drilled of which 74 wells have been completed and made ready for production.

The application of new fracture stimulation and completion technology proven in the Raageshwari wells will not only aid greater production from fewer wells but also allow the opportunity to replicate the same in the lower permeability Barmer Hill formation.

Cairn has successfully drilled and completed 11 horizontal wells in Mangala of which nine have been put on production. A total of 48 Mangala wells are currently producing and the other wells will be brought on stream in a staged manner. Work on the development of the Bhagyam field, the second largest field in Rajasthan, has commenced.

Development - Midstream (Pipeline)

The MPT to Salaya section (~590 km) is now operational along with the final delivery infrastructure to each buyer. Work on the Salaya to Bhogat section (~80 km) is under progress and all the key contracts have been placed.

Pipeline sales have been safe and efficient to date with more than 10 mmbbls delivered to the buyers.

Crude – Sales

The crude sales have ramped up to the currently approved plateau of 125,000 bopd Q2 FY 2010-11. To date, more than 16 mmbbls of crude from Mangala has been delivered to the refiners and ~USD 1.1 billion revenues generated.

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

Sales arrangements are in place for 143,000 bopd with Public Sector Undertakings and private refiners and discussions continue with GoI for additional 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 peak plateau rate of 175,000 bopd in 2011.

Start-up injection tests have commenced in the EOR pilot project that started earlier this year. The first phase of EOR pilot consisting of four injectors, one producer and three observation wells has been drilled, completed and hooked up to the facilities.

A pilot hydraulic fracturing programme to test the potential of the Barmer Hill Formation is planned in FY 2010-11, subject to GoI approval. The pilot programme will allow evaluation of the appropriate cost effective technology for a fully optimised development of this 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.

Exploration

Cairn India – Producing Assets

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

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

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

Average gross production from the Ravva field for Q2 FY 2010-11 was 38,102 boepd (comprising an average oil production of 29,413 bopd and average gas production of 52 million standard cubic feet per day (mmscfd)). The production was higher in comparison to last quarter due to better well performance resulting from workover programmes.

Cairn India and its joint venture partners have completed a 4D seismic campaign to identify bypassed oil zones and locate infill well locations. Drilling is expected to commence in Q3 FY 2010-11.

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

Average gross production from the CB/OS-2 block for Q2 FY 2010-11 was 11,227 boepd (comprising an average oil / condensate production of 6,601 bopd and average gas production of 28 mmscfd).

To enhance oil production from the field, an infill drilling campaign is planned in the Lakshmi fields. The Term Sheet agreement executed in December, 2009 to produce Gauri's share of GBA (Gas Balancing Agreement – for sharing gas from the shared reservoir) gas through the Hazira facilities has now been extended to March, 2012.

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, five of which are operated by the Company.

The Production Sharing Contracts for the two NELP-VIII blocks, KG-OSN-2009/3 and MB-DWN-2009/1, signed on 30 June, 2010 became effective from August, 2010, with the grant of the Petroleum Exploration Licences.

Two wells Nagayalanka-1z and Krishna-1 were drilled in block KG-ONN-2003/1 (Cairn India - 49%, operator) during Q2 FY 2010-11. Flow of oil at the rate of 75 bopd and gas at the rate of 0.27 mmscfd was established in the Nagayalanka-1z well and a Discovery declared. Preparations are ongoing for further exploration and appraisal drilling.

In PR-OSN-2004/1 (Cairn India – 35%, operator), a geotechnical survey and pore pressure studies have been completed. The drilling of three wells is expected to commence in H1 CY 2011.

In Sri Lanka, SL 2007-01-001, logistical preparations and detailed studies are ongoing in preparation for the exploration drilling of three wells planned to commence in H1 CY 2011.

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30TH SEPTEMBER 2010
(All amounts are in ₹ lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended		Six month ended		Previous financial year ended
		30-Sept-10	30-Sept-09	30-Sept-10	30-Sept-09	31-Mar-10
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Income from operations	268,642	22,978	352,703	43,473	162,303
	b) Other operating income	-	-	-	-	-
2	Expenditure					
	a) (Increase)/Decrease in stock-in-trade	2,682	(2,591)	(4,017)	(4,141)	(3,660)
	b) Operating expenses	42,566	6,235	64,447	10,636	42,483
	c) Employee costs	2,996	2,112	4,888	4,264	11,016
	d) Depreciation, depletion & amortization	27,561	3,905	44,157	8,038	14,851
	e) Administration costs	2,982	3,894	5,253	6,174	14,412
	f) Foreign exchange fluctuation	2,356	-	6,481	-	-
	g) Exploration costs	4,221	1,171	7,436	4,259	20,853
	h) Total	85,364	14,726	128,645	29,230	99,955
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**183,278**	**8,252**	**224,058**	**14,243**	**62,348**
4	Other Income	2,820	10,562	5,627	23,459	40,766
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**186,098**	**18,814**	**229,685**	**37,702**	**103,114**
6	Interest and finance costs	12,809	88	17,734	161	1,480
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**173,289**	**18,726**	**211,951**	**37,541**	**101,634**
8	Exceptional Items	-	16,371	-	-	-
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**173,289**	**35,097**	**211,951**	**37,541**	**101,634**
10	Tax expense					
	a) Current tax	49,261	8,045	60,238	10,375	22,164
	b) MAT credit entitlement	(21,275)	(5,219)	(29,290)	(6,162)	(13,722)
	c) Deferred tax	(13,205)	(12,930)	(5,644)	(17,114)	(10,866)
	d) Fringe benefit tax	-	(1,750)	-	(1,052)	(1,052)
	e) Total	14,781	(11,854)	25,304	(13,953)	(3,476)
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-10)**	**158,508**	**46,951**	**186,647**	**51,494**	**105,110**
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**158,508**	**46,951**	**186,647**	**51,494**	**105,110**

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Sr. No.	Particulars	Quarter ended		Six month ended		Previous Financial year ended
		30-Sept-10	30-Sept-09	30-Sept-10	30-Sept-09	31-Mar-10
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
14	Paid-up Equity Share Capital (Face value of ₹ 10 each)	189,745	189,667	189,745	189,667	189,697
15	Reserves excluding Revaluation Reserves					3,192,496
16	Earnings per share in ₹ (not annualized)					
	a) Basic earnings per share	8.35	2.48	9.84	2.72	5.54
	b) Diluted earnings per share	8.31	2.46	9.79	2.70	5.52
17	Public Shareholding					
	- Number of shares	714,211,152	669,824,025	714,211,152	669,824,025	713,730,341
	- Percentage of shareholding	37.64%	35.32%	37.64%	35.32%	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	1,226,843,791	1,183,243,791	1,226,843,791	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)	62.36%	64.68%	62.36%	64.68%	62.38%

Notes:-

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

2. Employee costs for the current quarter and six months include stock option charge of ₹ 1,579 lakhs and ₹ 2,045 lakhs respectively, computed under the Intrinsic Value Method. The said charge for the current quarter and six months would have been ₹ 2,891 lakhs and ₹ 4,526 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

3. 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.

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. During the current quarter, 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 30th September 2010 is lower by ₹ 27,138 lakhs and profit after tax for the current quarter & the six month period is lower by ₹ 26,432 lakhs.

6. 107,709 additional equity shares were issued during the current quarter on exercise of stock options by the employees of the Cairn India Group.

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 Cairn Energy Plc. However, it is yet to be approved by regulatory authorities and shareholders of Vedanta Resources Plc; pending receipt of such approvals for the transaction, 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. Summary of Assets and Liabilities-

Particulars	As at 30th Sept 2010 (Unaudited)	As at 30th Sept 2009* (Unaudited)
SOURCES OF FUNDS		
Shareholders’ funds		
Share capital	189,745	189,667
Stock options outstanding	5,676	4,767
Reserves and surplus	3,379,865	3,138,171
Loan funds		
Secured loan	342,424	1,711
Unsecured loan	-	408,127
Deferred tax liabilities (net)	40,833	39,782
TOTAL	**3,958,543**	**3,782,225**
APPLICATION OF FUNDS		
Fixed assets including exploration, development and site-restoration costs	1,064,373	832,132
Goodwill	2,531,927	2,531,927
Investments	149,579	82,290
Deferred tax assets (net)	1,945	1,498

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Particulars	As at 30th Sept 2010 (Unaudited)	As at 30th Sept 2009* (Unaudited)
Current assets, loans and advances		
Inventories	32,742	24,899
Sundry debtors	136,552	21,676
Cash and bank balances	114,568	387,889
Other current assets	603	8,145
Loans and advances	124,975	54,791
Less: Current liabilities and provisions		
Current liabilities	129,556	111,933
Provisions	69,165	51,089
Net current assets	210,719	334,378
TOTAL	3,958,543	3,782,225

*Assets and Liabilities as at 30th September 2009 disclosed above have not been reviewed by the auditors of the Company.

11. Based on expert advice taken by Cairn India Group, crude oil in pipeline which was capitalized in the previous quarter has now been treated as inventory. This however does not have any material impact on profit of the current quarter.

12. Previous quarter / six 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: Gurgaon
Date: 28 October, 2010

Rahul Dhir
Managing Director and Chief Executive Officer

Cairn India Limited

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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2010

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

Sr. No.	Particulars	Quarter ended		Six month ended		Previous financial year ended
		30-Sept-10	30-Sept-09	30-Sept-10	30-Sept-09	31-Mar-10
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Income from operations	70	21	186	46	320
	b) Other operating income	-	-	-	-	-
2	Expenditure					
	a) Operating expenses	-	23	-	280	338
	b) Employee costs	553	402	1,067	949	1,759
	c) Depreciation, depletion & amortization	-	1	2	2	5
	d) Legal & professional charges	656	353	1,030	590	2,123
	e) Administration costs	357	237	518	432	907
	f) Foreign exchange fluctuation	-	1	-	-	-
	g) Exploration costs	800	315	1,959	1,671	11,912
	h) Total	2,366	1,332	4,576	3,924	17,044
3	Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	(2,296)	(1,311)	(4,390)	(3,878)	(16,724)
4	Other Income	2,516	3,781	4,144	9,516	16,016
5	Profit/(Loss) before Interest & Exceptional Items (3+4)	220	2,470	(246)	5,638	(708)
6	Interest and finance costs	7,822	23	11,633	24	6,628
7	Profit/(Loss) after Interest but before Exceptional Items (5-6)	(7,602)	2,447	(11,879)	5,614	(7,336)
8	Exceptional Items	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before tax (7+8)	(7,602)	2,447	(11,879)	5,614	(7,336)
10	Tax expense					
	a) Current tax	-	506	-	1,526	440
	b) Fringe benefit tax	-	(1,168)	-	(881)	(881)
	c) Total	-	(662)	-	645	(441)
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	(7,602)	3,109	(11,879)	4,969	(6,895)
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(7,602)	3,109	(11,879)	4,969	(6,895)

Sr. No.	Particulars	Quarter ended		Six month ended		Previous financial year ended
		30-Sept-10	30-Sept-09	30-Sept-10	30-Sept-09	31-Mar-10
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
14	Paid-up Equity Share Capital (Face value of ₹ 10 each)	189,745	189,667	189,745	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	(0.40)	0.16	(0.63)	0.26	(0.36)
	b) Diluted earnings/(loss) per share	(0.40)	0.16	(0.63)	0.26	(0.36)
17	Public Shareholding					
	- Number of shares	714,211,152	669,824,025	714,211,152	669,824,025	713,730,341
	- Percentage of shareholding	37.64%	35.32%	37.64%	35.32%	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	1,226,843,791	1,183,243,791	1,226,843,791	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)	62.36%	64.68%	62.36%	64.68%	62.38%

Notes:-

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

2. Employee costs for the current quarter and six months include stock option charge of ₹ 241 lakhs and ₹ 465 lakhs respectively, computed under the Intrinsic Value Method. The said charge for the current quarter and six months would have been ₹ 1,575 lakhs and ₹ 2,970 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. 107,709 additional equity shares were issued during the current quarter on exercise of stock options by the employees of the Cairn India Group.

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 Cairn Energy Plc. However it is yet to be approved by regulatory authorities and shareholders of Vedanta Resources Plc; pending receipt of such approvals for the transaction, 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. Summary of Assets and Liabilities-

Particulars	As at 30th Sept 2010 (Unaudited)	As at 30th Sept 2009* (Unaudited)
SOURCES OF FUNDS		
Shareholders' funds		
Share capital	189,745	189,667
Stock options outstanding	5,675	4,766
Reserves and surplus	3,012,333	3,010,903
Loan funds		
Secured loan	139,500	-
TOTAL	3,347,253	3,205,336
APPLICATION OF FUNDS		
Fixed assets including exploratory work in progress	4,044	6,090
Investments	3,295,442	3,037,075
Current assets, loans and advances		
Inventories	208	-
Sundry debtors	87	-
Cash and bank balances	28,090	165,936
Other current assets	380	7,832
Loans and advances	3,798	494
Less: Current liabilities and provisions		
Current liabilities	8,656	9,377
Provisions	294	3,126
Net current assets	23,613	161,759
Profit and Loss account	24,154	412
TOTAL	3,347,253	3,205,336

* Assets and Liabilities as at 30th September 2009 disclosed above have not been reviewed by the auditors of the Company.

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

10. Previous quarter / six 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: Gurgaon
Date: 28 October, 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 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 62.37% shareholding in Cairn India Limited.
- Cairn India holds material exploration and production positions in ten 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

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
IOC	Indian Oil Corporation
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
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 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.

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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.