



**For Immediate Release**

**16 October 2007**

### **White revolution with 'power' of milk!**

In collaboration with the International Finance Corporation (IFC), Cairn India Limited (CIL) is supporting dairy development projects in selected villages in the Barmer area of Rajasthan to help improve milk sales for rural farmers.

On Tuesday, the Bulk Milk Cooler (BMC) facility was dedicated to the villagers at Naya Nagar village in Cairn India's Guda Block. The breed improvement programme, which is a part of the Dairy initiative, was also launched with the presentation of a good breed bull to one of the Self Help Groups. The Member of Parliament for Barmer, Mr Manvendra Singh and senior officials were present for the ceremony.

The project aims to increase the income of rural milk producers by facilitating the establishment of a collection network of milk in the villages and bulk milk sales to the end user and thus providing the farmers an assured and remunerative outlet for their milk.

On average more than 750 litres of milk is now being collected from 10 centres and is being sold to the Government of Rajasthan state dairy-SARAS. The project is ongoing in 10 villages including Naya Nagar, Dhandlawas, Adarsh Nagar, Raawali Naadi and Maliyon Ki Dhani with a goal to create gainful employment in rural areas.

In September more than 17,000 litres of milk was being supplied to Saras- the Rajasthan Government's Dairy Cooperative.

"For us it is like fortune has knocked upon our door," said Mukna Ram a resident of village Raawali Naadi where the dairy collection centre had started making it the fifth village connected to the project.

Livestock breeding has been the traditional subsistence strategy in western Rajasthan. It is an important source of income for sections of the community in the rural areas with limited or no land resources.

As part of IFC - Cairn India Linkage Programme, activities have been started to support the dairy development initiative in a number of villages in the Barmer district. The NGO - Society to Uplift Rural Economy (SURE), Barmer - is responsible for implementing the programme.

Key Components of the project include organisation and capacity building of milk producers, improving quality standards of milk, linking increased supply of milk production to remunerative outlets, facilitating value addition through linkages with existing government schemes, undertaking breed and fodder improvement programmes and linkages with Banks for microfinance/ cattle insurance.

To date, the total milk collection centres set up under the Dairy Development Project is ten with a membership base of 475 dairy farmers.

To establish milk collection centres in the Northern area, community consultation has started in Chokhla and Bhadhkha villages. Recently, under the cattle care component of the project, vaccination of cattle was carried out in 6 villages benefiting more than 500 cattle in the Nagar and Guda areas. Mineral mixtures and cattle feed have also been provided.

In the Rajasthan's neighbouring state Gujarat, villagers had set a sterling example of a co-operative organisation's success which today is simply called- Amul. In January this year, villagers in the southern part of Barmer witnessed a small but firm step towards the dairy movement. The dairy pilot project was inaugurated on 15th January 2007 and for beneficiaries, it is like tasting the start of white revolution in the area. The cooler facility launched on Tuesday is expected to aid in collection and storage of the 'evening milk' from the villages which were largely going untapped because of the absence of adequate chilling and storage facilities.

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- 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 more than 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 km<sup>2</sup>), 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<sup>2</sup>), 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
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