



For Immediate Release

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CAIRN INDIA

Further exploration acreage for Cairn India in NELP VI

The Government of India (GoI) has announced that Cairn India has secured an interest in two new exploration blocks in India - PR-OSN-2004/1 and KK-DWN-2004/1. The blocks were awarded to Cairn India under the sixth New Exploration Licensing Policy round (NELP VI)

- The GoI had offered 55 exploration blocks - the highest ever offering under the NELP process
- 165 bids were submitted for 52 blocks with a total of 68 companies bidding
- 32 Indian companies and 36 foreign companies took part, with 20 of the foreign firms participating in the Indian bid round for the first time
- Cairn India and Cairn through Capricorn Energy submitted 12 joint venture bids along with ONGC, Videocon, Tata Petrodyne, British Gas and Total

Details of the two offshore blocks awarded to Cairn India are as follows:

- PR-OSN-2004/1 (Palar Basin) Cairn Energy India Pty Limited 10% (Operator), Cairn India Limited 25%, ONGC 35% and Tata Petrodyne 30%. The block area is 9,400 km².
- KK-DWN-2004/1 (Kerala Konkan Basin) Cairn India Limited 40%, ONGC 45% (Operator) and Tata Petrodyne 15%. The block area is approximately 12,324 km².

Rahul Dhir, Chief Executive of Cairn India said:

"We're delighted to have secured further important acreage in India to add to our substantial portfolio. The wider Petroleum Industry is now looking keenly at India as a result of the significant discoveries made in recent years by a number of companies including Cairn. The significant industry interest substantiates our belief that India is an extremely attractive place to look for oil and gas."

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About Cairn India Limited

- "Cairn India" w here referred to in the release means Cairn India Limited and/or its subsidiaries, as appropriate
- "Cairn" w here 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 13 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

These materials contain forward-looking statements regarding Cairn, 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 undertakes no obligation to revise any such forward-looking statements to reflect any changes in Cairn's expectations with regard thereto or any change in circumstances or events after the date hereof.