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For Immediate Release 20 October, 2011

Cairn India Limited
Second Quarter Financial Results for the period ended 30 September, 2011

The following commentary is provided in respect of the unaudited financial results and operational highlights of Cairn India Limited and its subsidiary companies (referred to as "Cairn India" or the "Company", NSE: CAIRN, BSE: 532792, Bloomberg: CAIR) for the second quarter (from July - September 2011) for FY 2011-12, in accordance with Indian GAAP.

Please note: ₹ denotes Indian Rupee and US$ denotes US Dollar.

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

"With strong support from the Government of India and alignment with our partner ONGC, we are now poised to optimise development of the Rajasthan resource in the best interests of our nation.

The Mangala reservoir, processing and pipeline infrastructure continue to perform as expected, to ensure safe delivery of 125,000 barrels of oil per day (bopd) and we are focussed on commencing production from the Bhagyam field shortly.

Cairn India is increasingly confident of delivering a significant part of the currently envisaged basin potential of 240,000 bopd from the Mangala, Bhagyam and Aishwariya fields alone.

On the exploration front, the discovery of a working hydrocarbon system with the first exploration well in the frontier Mannar Basin, Sri Lanka, underscores Cairn India's technical competence, an essential platform for growth.

I am proud of the Cairn India team that has remained focussed and continued to deliver successfully across the entire business."

Q2 FY2011-12 Financial Highlights

- Revenue post current quarter net Rajasthan (RJ) royalty estimated at ₹ 26,522 million (US$ 578 million)
- Profit after Tax (PAT)
  - PAT post current quarter net RJ royalty estimated at ₹ 21,182 million (US$ 461 million)
  - PAT reported for the quarter after one-time and current quarter RJ royalty adjustment at ₹ 7,630 million (US$ 167 million)
- Cash Flow from Operations without adjusting exceptional items at ₹ 19,687 million (US$ 428 million)
- Net cash of ₹ 71,293 million (US$ 1,458 million) as on 30 September, 2011
- Average Daily Gross operated production at 169,944 boe (Working Interest production at 99,220 boe), contributing >20% of India's current domestic crude production
- Profit petroleum from RJ-ON-90/1 block for Q2 FY 2011-12 at ₹ 1,584 million (US$ 33 million)

Corporate Highlights

- The acceptance of conditions imposed by the Government of India (GoI) for the Cairn PLC and Vedanta transaction was approved by Cairn India shareholders with a majority of 97.29% of the votes received
- ONGC in their press release dated 27 September, 2011 has decided to issue a No Objection Certificate (NOC) with respect to the Cairn PLC - Vedanta transaction

India Highlights

- Rajasthan
  - Completed two years of production from the Mangala field; currently producing at a rate of 125,000 barrels of oil per day (bopd); reservoir performance as per expectations; potential to produce 150,000 bopd subject to Joint Venture (JV) partner and GoI approval
  - Bhagyam development on track and ready to commence production in Q4 CY 2011, subject to GoI approval
  - Expect to exit FY 2011-12 at a production rate of 175,000 bopd with active support from our JV partner and GoI
  - Development of Aishwariya field underway; plan to commence production in H2 CY 2012, subject to JV partner and GoI approval
  - Significant part of the currently envisaged basin potential of 240,000 bopd to be met from Mangala, Bhagyam and Aishwariya fields
  - Enhanced Oil Recovery (EOR) pilot continues to progress well; polymer injection phase commenced; encouraging results observed to date
  - Cumulative crude sales in excess of 60 million barrels (mmbbls) to Indian refiners; generated gross revenues in excess of US$ 5 billion to date
  - Further investments are planned to augment processing capacity and pipeline infrastructure to deliver the currently envisaged basin potential
  - Mangala Processing Terminal (MPT) plant uptime within top decile amongst global peers in Q2 FY 2011-12; demonstrates Cairn India's commitment to safe and efficient operations
- Other Assets
  - Ravva infill drilling and workover campaign completed to help slow production decline
  - Federal Court of Malaysia has pronounced a favourable verdict on Cairn India and Ravva Oil (Singapore) Pte Ltd. for the Ravva JV arbitration on ONGC carry cost while calculating profit petroleum
  - In our effort to optimise infrastructure usage in CB/OS-2, the North Tapti pipeline tie-in activities have been completed by ONGC; tolling and processing of gas will commence following commissioning of the pipeline and necessary approvals
  - In the KG-ONN-2003/1 block, preparations are ongoing to commence exploration drilling in November 2011

Sri Lanka Highlights

- SL 2007-01-001 block
  - Discovery and establishment of a working hydrocarbon system early in the Sri Lanka frontier exploration drilling; success in the first well of the three well programme in Mannar Basin
  - CLPL-Dorado-91H/1z well was the first ever exploration well drilled in Sri Lanka in 30 years and also the first with a hydrocarbon discovery

Recognitions

- Cairn India was conferred "Superbrand Award" on 29 July, 2011; joins a distinguished league of corporate citizens
- Mangala Development Pipeline Project declared runners-up in "Project of the Year" award organised by Project Management International

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Financial Review

₹ million	Q2		y-o-y (%)	Q1	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Revenue	26,522	26,864	-1%	37,127	-29%
EBIT	23,439	18,610	25%	28,621	-18%
Margin (%)	88%	69%		77.1%	
PAT	7,630	15,851	-51%	27,266	-72%
Margin (%)	29%	59%		73.4%	
Basic EPS (₹)	4.01	8.35	-52%	14.33	-72%
Cash flow from operations	19,687	15,692	26%	25,755	-24%

US$ million	Q2		y-o-y (%)	Q1	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Revenue	578	577	~0%	830	-30%
EBIT	511	400	28%	640	-20%
Margin (%)	88%	69%		77%	
PAT	167	341	-51%	610	-73%
Margin (%)	29%	59%		73%	
Basic EPS (US$)	0.09	0.18	-51%	0.32	-73%
Cash flow from operations	428	337	27%	576	-26%

US$ million	Q2 FY 2011-12	
	PAT	Basic EPS (₹)
Including net Q2 FY 2011-12 RJ royalty estimate adjustment	461	11.13
Net RJ royalty one-time estimate up to Q1 FY2011-12 (net of PP)	294	
Reported	167	4.01

Gross cash available as on 30 September, 2011 was ₹ 84,793 million (US$ 1,734 million). The non-convertible debentures outstanding as on 30 September, 2011 were ₹ 13,500 million (US$ 276 million). The USD loan facility was completely prepaid in July 2011.

The company has provided for RJ royalty estimate in the current quarter including the past period one-time adjustment since the start of RJ production i.e. August 2009. The cumulative royalty estimate (net to the company) up to Q2 FY 2011-12 was US$ 545 million. The RJ royalty is estimated at approximately 15% of the revenue.

The profit petroleum provided for the quarter after RJ royalty adjustments was ₹ 1,584 million (US$ 33 million). The profit petroleum reduced by ₹ 5,029 million (US$ 109 million) on account of royalty becoming cost recoverable. The profit petroleum payments are made provisionally at the end of each quarter on an accumulative basis and final adjustments, if any, are done at the end of each year.

The company has made a net forex gain of ₹ 5,310 million (US$ 116 million) due to the sharp fluctuation in USD-₹ exchange rate.

The gross cumulative Rajasthan development capital expenditure spend as on 30 September, 2011 was US$ 3,222 million, of which US$ 107 million was spent during the quarter.

Cash flow from Operations refers to PAT (excluding other income and exceptional item) prior to non-cash expenses and exploration costs.

The average exchange rate for Q2 FY 2011-12 was ₹ 45.66 vs. ₹ 46.53 for Q2 FY 2010-11. The average Q1 FY 2011-12 exchange rate was at ₹ 44.72. The closing exchange rate as on 30 September, 2011 was ₹ 48.89.

Corporate Developments

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 shareholding in the Company to the Vedanta Group ('Acquirer').

Cairn Energy PLC has since sold 191,920,207 (10%) shares to the Acquirer on 11 July, 2011. Post this transaction, Vedanta Group currently holds 28.75% in Cairn India. Acquisition of an additional 30% by the Vedanta Group is subject to the final outcome of the conditional approval granted by the GoI. Cairn Energy PLC currently remains the majority shareholder of Cairn India with a 52.1% shareholding.

As per the letter dated 26 July, 2011, the transaction has been approved by the GoI subject to certain conditions. The conditions imposed by the GoI include that in respect of the RJ-ON-90/1 block, the Company must agree that the royalty payable under the RJ Production sharing Contract (PSC) is a contract cost eligible for cost recovery and that it shall withdraw the arbitration with respect to the payment of cess.

The acceptance of conditions was approved by the shareholders with a majority of 97.29% votes received through the postal ballot.

The CIL Board of Directors has accepted the mandate of the shareholders following the declaration of postal ballot results on 14 September, 2011.

In line with the GoI conditions to the transaction, ONGC, in their Press Release dated 27 September 2011, has decided to issue a NOC "subject to Cairn, Vedanta and their affiliates executing a formal agreement with ONGC agreeing to the royalty and cess conditions".

The acceptance of royalty as cost recoverable and the withdrawal of the arbitration pertaining to cess will be concomitant with the transfer of control of Cairn India Limited. The Board believes that the successful delivery of the large scale Rajasthan project has created a strong foundation for future growth and the company remains committed to growing shareholder value.

Operational Review

No.	Block Name	Region	Operator	Participating Interest
1	RJ-ON-90/1	North Western India	Cairn India	70%
2	PKGM-1 (Ravva)	Eastern India	Cairn India	22.5%
3	CB/OS-2	Western India	Cairn India	40%

	Q2		y-o-y (%)	Q1	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Average daily gross operated production (boepd)	169,944	165,385	3%	171,801	-1%
Average daily working interest production (boepd)	99,220	94,304	5%	99,640	~0%
Average oil price realisation (USD per bbl)	102.8	69.5	48%	105.9	-3%
Average gas price realisation (USD per mscf)	4.5	4.5	-1%	4.5	-1%
Average price realisation (USD per boe)	100.3	67.8	48%	103.6	-3%

1. Rajasthan (Block RJ-ON-90/1)

	Q2		y-o-y (%)	Q1	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Average daily gross operated production (bopd)	125,251	116,058	8%	125,127	~0%
Average daily working interest production (bopd)	87,676	81,241	8%	87,589	~0%

The Mangala field continues to produce at the currently approved plateau of 125,000 bopd, demonstrating the sound reservoir management practices applied by Cairn India. Since production start-up in August 2009, the MPT has processed more than 60 mmbbls of crude oil, which has been sold to Public Sector Undertaking (PSU) and private refiners. The plant uptime stood at 100% during Q2 FY 2011-12 and figured in the top decile amongst global peers.

Production from the Saraswati oil field, which commenced in May 2011, continues at the rate of 250 bopd and the oil is being trucked to the MPT for sale through the pipeline.

Cairn India is committed to maintaining the highest Health, Safety, Environment and Assurance standards and will continue to focus on maintaining a safe culture of working in all its activities. As of September 2011, the Rajasthan Operations has achieved more than 4.67 million man-hours without any lost time injury (LTI).

Rajasthan Project Development

Work continues for commissioning of additional production facilities at the MPT to achieve processing capacity beyond 175,000 bopd by end FY 2011-12.

Further investments are planned to augment processing capacity and pipeline infrastructure to deliver the currently envisaged basin potential.

Development drilling and well completion activities continue to progress well. A total of 148 Mangala development wells have been drilled, of which 81 wells are currently producing and 29 injector wells are injecting water into the reservoirs. The other wells will be brought on-stream in a staged manner. The focused effort on drilling of high capacity horizontal wells in the Mangala field with the excellent reservoir performance supports higher plateau levels.

Work on the development of the Bhagyam field, the second largest discovery in Rajasthan, is ongoing. A total of 47 Bhagyam development wells have been drilled to date. Well results from the Bhagyam development drilling have been as per expectations.

Discussions continue with the GoI on expediting approvals for Bhagyam start-up and production is expected to commence in Q4 CY 2011. The reservoir and facilities will require some time for gradual and safe ramp up to reach the currently approved plateau of 40,000 bopd.

We are confident of active support from our JV partner and GoI for the optimal development of the Rajasthan fields to exit FY 2011-12 at the currently approved Field Development Plan (FDP) plateau production rate of 175,000 bopd.

Development work is currently underway in the Aishwariya field and production is expected to commence in H2 CY 2012, subject to JV partner and GoI approval.

In line with standard industry practice, we envisage staggered shutdowns to tie-in new fields, routine maintenance periods for safe operations, etc. Accordingly, we expect routine downtime of 3-5% for the facilities and processing infrastructure.

Mangala Development Pipeline

Of the total pipeline length of approximately 670 km to Bhogat on the Arabian Sea coast in Gujarat, approximately 590 km to Salaya is operational.

The MPT to Salaya section with its delivery infrastructure continues to safely deliver crude oil to various buyers and has recorded more than 3 million LTI-free man-hours to date. In Q2 FY 2011-12, more than 11 mmbbls of crude oil were safely delivered through the pipeline. The pipeline system availability in Q2 FY 2011-12 was more than 99%.

Construction work is ongoing on the remaining 80 km Salaya to Bhogat section of the pipeline including the Bhogat terminal and marine facility. It is expected to be completed in H2 CY 2012 giving access to more than 75% of India's refining market.

The current pipeline capacity is at 175,000 bopd. However it can handle much higher volumes in line with the basin potential through incremental investments and augmentation of facilities, subject to JV partner and GoI approval.

On 8 September, 2011, Cairn India was awarded the Runners-up position for the prestigious 'Project of the Year' award, given by Projects Management Institute (PMI) for the development of world's longest continuously heated and insulated pipeline for transporting crude from the Mangala Processing Terminal to Salaya.

Sales

Crude sales were maintained at 125,000 bopd levels to PSU and private refiners. Sales arrangements are in place for 155,000 bopd with PSU and private refiners and discussions continue with GoI for further nominations.

In accordance with the RJ-ON-90/1 PSC, the pricing is based on Bonny Light, comparable low sulphur crude that is frequently traded in the region, with appropriate adjustments for crude quality. The implied crude price realisation represents an average 10-15% discount to Brent on the basis of the prices prevailing for the twelve months to 30 September, 2011.

Resource Base

The Mangala, Bhagyam and Aishwariya (MBA) fields have gross recoverable oil reserves and resources of approximately one billion barrels. This includes proved plus probable (2P) gross reserves and resources of 656 mmboe with a further 300 mmboe or more of EOR resource potential. The MBA fields will contribute more than 20% of current domestic crude production when they reach the currently approved plateau rate of 175,000 bopd.

The first phase of the EOR pilot in the Mangala field, consisting of four injectors, one producer and three observation wells are drilled, completed and hooked up to the facilities. The water injection phase commenced in December 2010 and after initial completion of baseline water flood for more than six months, polymer injection started in August 2011. The results to date are encouraging and brings Cairn India one step closer to monetising the EOR potential.

A pilot hydraulic fracturing programme to test the potential of the Barmer Hill Formation is planned, subject to GoI approval. The pilot programme will allow evaluation of the appropriate cost effective technology for a fully optimised development of this low permeability oil resource base. A declaration of commerciality for the Barmer Hill Formation was submitted to the GoI in March 2010 and an FDP is under preparation.

The currently envisaged basin potential stands at 240,000 bopd (equivalent to a contribution of approximately 30% of India's total domestic current crude production). Following a review of reservoir performance at Mangala, development drilling results from Bhagyam and a re-evaluation of the resource base in Aishwariya, we are confident of delivering a significant part of the currently envisaged basin potential from the MBA fields. FDP revisions for the three fields are being prepared in conjunction with ONGC and will be submitted for regulatory approvals in due course. In addition, we believe there is a significant undeveloped and unexplored potential in the Barmer Basin. This potential can realise further value for the nation and will require active support from the GoI.

2. Eastern India (Block PKGM-I – Ravva Field) – Krishna Godavari Block Basin

	Q2		y-o-y (%)	Q1	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Average daily gross operated production (boepd)	36,185	38,100	-5%	37,819	-4%
Average daily oil production (bopd)	26,965	29,413	-8%	30,479	-12%
Average daily gas production (mmscfd)	55	52	6%	44	26%
Average daily working interest production (boepd)	8,142	8,573	-5%	8,509	-4%

Ravva is a mature asset and various steps such as a 4D seismic survey, drilling of infill wells and workover campaigns are being undertaken to slow production decline and identify additional opportunities to increase reserves.

Infill drilling and workover activities at Ravva to augment oil production and water injection have been completed. The purpose of the infill campaign is to help slow production decline, add incremental reserves and increase the water injection capacity in the field. The successful infill drilling campaign has resulted in the JV being able to slow down production decline.

Processed 4D data has been received and interpretation is ongoing. The 4D inversion work is expected to be completed by end October 2011.

Cairn India and its JV partners are focussed on identifying bypassed oil zones in the reservoir, slowing down the production decline rate and evaluating the scope of further potential in the deeper zones.

The Ravva Asset achieved more than six million LTI free man-hours to date and had an uptime of more than 98% in Q2 FY 2011-12.

3. Western India (Block CB/OS–2) - Cambay Basin

	Q2		y-o-y (%)	Q1	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Average daily gross operated production (boepd)	8,508	11,227	-24%	8,855	-4%
Average daily oil production (bopd)	5,390	6,601	-18%	5,579	-3%
Average daily gas production (mmscfd)	19	28	-33%	20	-5%
Average daily working interest production (boepd)	3,403	4,491	-24%	3,542	-4%

To sustain oil production from the block, an infill drilling campaign is planned in the Lakshmi field. The spare gas processing capacity of the CB/OS-2 facilities is planned to be utilised by tolling and processing ONGC's gas from its North Tapti field (adjacent to the Lakshmi field). ONGC has completed the North Tapti pipeline tie-in with the CB/OS-2 facilities. The tolling and processing of gas shall commence after ONGC commissions the pipeline and obtains necessary approvals. This is in the best interests of all stakeholders, and our efforts to optimise infrastructure usage in the block.

The block recorded more than nine million LTI free man-hours over the last seven years, which reinforces the Company's commitment to the highest safe operating standards. The CB/OS-2 facilities had an uptime of more than 97% in Q2 FY 2011-12.

Exploration Review

Sr. No.	Block Name	Area	Cairn India's Interest (%)	JV partners	Area (in km^2)
1	RJ-ON-90/1	Barmer Basin	70%	ONGC	3,111
2	CB/OS-2	Cambay Basin	40%	ONGC, Tata Petrodyne	1,657
3	PKGM-1 (Ravva)	Krishna-Godavari Basin	22.5%	ONGC, Ravva Oil, Videocon	331
4	KG-ONN-2003/1	Krishna-Godavari Basin	49%	ONGC	3,288
5	KG-OSN-2009/3	Krishna-Godavari Basin	100%	-	1,988
6	KG-DWN-98/2	Krishna-Godavari Basin	10%	ONGC	7,295
7	MB-DWN-2009/1	Mumbai Offshore Basin	100%	-	2,961
8	KK-DWN-2004/1	Kerala-Konkan Basin	40%	ONGC, Tata Petrodyne	12,324
9	PR-OSN-2004/1	Palar-Pennar Basin	35%	ONGC, Tata Petrodyne	9,417
10	SL 2007-01-001	Mannar Basin	100%	-	3,000

Note-all the blocks except KK-DWN-2004/1 and KG-DWN-98/2 are operated by Cairn India

Cairn India has participating interests in 10 blocks in three strategically focused areas: one in Rajasthan; three on the west coast of India; six on the east coast of India including one in Sri Lanka. Out of these, eight blocks including the three that are in production are operated by Cairn India. Exploration activities are at different stages in some of these blocks.

Cairn India continues to optimise its exploration portfolio by adding new prospective blocks and relinquishing low graded blocks after full evaluation and completion of work programmes, thereby increasing the Company's net unrisked potential resource base.

The blocks are located in the Barmer Basin, Krishna-Godavari Basin, the Palar-Pennar Basin, the Kerala-Konkan Basin, the Cambay Basin, the Mumbai Offshore Basin and the frontier Mannar Basin. The Company continues to use leading-edge geophysical and geological technologies to enhance its probability of exploration success and monetise hydrocarbon resources.

India Block Updates

Technical evaluation work continues in the RJ-ON-90/1 block (Cairn India – 70%, Operator) to assess existing and new plays in the basin and generate further prospects. Development wells drilled in CY 2010 and CY 2011 encountered additional hydrocarbons in shallower horizons in the Raageshwari and Bhagyam areas, which are being evaluated further. Detailed analysis of existing wells has succeeded in establishing live hydrocarbons in previously overlooked reservoirs in other parts of the block.

In the KG-ONN-2003/1 block (Cairn India – 49%, Operator), an exploration well Nagayalanka SE-1 is planned to be spud in November 2011. Reprocessing of 3D seismic data is ongoing.

In the KK-DWN-2004/1 block (Cairn India – 40%, ONGC is the Operator), 3D seismic data processing has been completed and interpretation is ongoing.

In the KG-OSN-2009/3 block (Cairn India – 100%, Operator) and MB-DWN-2009/1 block (Cairn India – 100%, Operator), *force majeure* declared by Cairn India has been accepted by the Directorate General of Hydrocarbons (DGH) in view of the denial of defence clearances to carry out seismic surveys.

In the PR-OSN-2004/1 block (Cairn India – 35%, Operator), *force majeure* has been accepted by the DGH due to denial of permission to drill in the restricted area. Cairn India and the JV partners continue to actively pursue a resolution with the GoI.

Sri Lanka Block Update

Cairn Lanka has notified the appropriate authorities in the Government of Sri Lanka of a gas discovery in the CLPL-Dorado-91H/1z well, drilled in a water depth of 1,354 metre (m), located in the SL 2007-01-001 block, Mannar Basin, Sri Lanka.

A gross 25 metre hydrocarbon column in a sandstone sequence, between measured depths of 3,043.8-3,068.7 metre, has been interpreted from wireline log and Modular Dynamic Tester (MDT) data to be predominantly gas bearing with some additional liquid hydrocarbon potential. Further drilling is required to establish the commerciality of the discovery.

The CLPL-Dorado-91H/1z well is the first exploration well to be drilled in Sri Lanka in 30 years and also the first with a hydrocarbon discovery.

The second well, in the three well programme, CLPL-Barracuda-1G/1 was spud on 4 October, 2011.

An update on the well results will be provided at the end of the programme, which is expected to complete by early next year.

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In conjunction with these results Cairn India is hosting an Analyst Conference Call today. The live audio webcast for the call will be available at the Cairn India website (www.cairnindia.com) from 17:00 hrs IST.

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 Energy PLC currently holds a 52.1% shareholding in Cairn India Limited. Cairn India is headquartered in Gurgaon in the National Capital Region, with operational offices in Tamil Nadu, Gujarat, Andhra Pradesh, Rajasthan and Sri Lanka.

Cairn India is primarily engaged in the business of oil and gas exploration, production and transportation. Average daily gross operated production was 149,103 boe in FY2011. 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 nine blocks in India and one in Sri Lanka. Cairn India's resource base is located in three strategically focused areas namely one block in Rajasthan, three on the west coast of India and six on the east coast of India, including one in Sri Lanka.

The blocks are located in the Barmer Basin, Krishna-Godavari Basin, the Palar-Pennar Basin, the Kerala-Konkan Basin, the Cambay Basin, the Mumbai Offshore Basin and the frontier Mannar Basin. Cairn Lanka holds a 100% participating interest in the Mannar block in Sri Lanka.

Cairn India's focus on India has resulted in a significant number of oil and gas discoveries. 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.

In Rajasthan, Cairn India operates Block RJ-ON-90/1 under a PSC 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%. The Operating Committee for Block RJ-ON-90/1 consists of Cairn India and ONGC.

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. The Mangala, Bhagyam and Aishwariya (MBA) fields have gross recoverable oil reserves and resources of approximately 1 billion barrels, which includes proved plus probable (2P) gross reserves and resources of 656 mmboe with a further 300 mmboe or more of EOR resource potential. The MBA fields will contribute more than 20% of India's current domestic crude production when they reach the currently approved plateau rate of 175,000 bopd. The total resource base supports a vision to produce 240,000 bopd, (equivalent to a contribution of approximately 30% 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 approximately 45,000 boepd.

India currently imports more than 2.4 million bopd of crude oil. The domestic crude oil 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 RJ-ON-90/1).

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

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Corporate Glossary

Cairn India/ CIL	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
Cairn PLC	Refers to Cairn Energy PLC
CY	Calendar Year
DoC	Declaration of Commerciality
E&P	Exploration and Production
EBIT	Earnings before Interest and Tax
FY	Financial Year
GBA	Gas Balancing Agreement
GoI	Government of India
Group	The Company and its subsidiaries
JV	Joint Venture
MPT	Mangala Processing Terminal
MC	Management Committee
NELP	New Exploration Licensing Policy
ONGC	Oil and Natural Gas Corporation Limited
OC	Operating Committee
qoq	Quarter on Quarter
yoy	Year on Year

Technical Glossary

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
PSC	Production Sharing Contract

Field Glossary

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
MBA	Mangala, Bhagyam and Aishwariya
Thumbli	Youngest reservoirs encountered in the basin. The Thumbli is the primary reservoir for the Raageshwari field

Disclaimer

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 partner.

Cairn India Limited

Registered Office: 101, West View, Veer Savarkar Marg, Prabhadevi
Mumbai – 400025

Corporate Office: 3rd & 4th Floors, Vipul Plaza, Sun City, Sector-54
Gurgaon – 122002

UNAUDITED CONSOLIDATED FINANCIAL RESULTS

FOR THE QUARTER ENDED 30TH SEPTEMBER 2011

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

Sr. No.	Particulars	Quarter ended		Six month ended		Previous financial year ended
		30-Sept-11	30-Sept-10	30-Sept-11	30-Sept-10	31-Mar-11
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Income from operations	265,220	268,642	511,255	352,703	1,027,793
	b) Other operating income	-	-	-	-	-
2	Expenditure					
	a) (Increase)/Decrease in stock-in-trade	(371)	2,682	193	(4,017)	(2,636)
	b) Operating expenses	47,084	42,566	89,653	64,447	151,703
	c) Employee costs	2,347	2,996	4,255	4,888	11,046
	d) Depreciation, depletion & amortization	31,422	27,561	66,024	44,157	119,296
	e) Administration costs	5,761	2,982	14,507	5,253	15,388
	f) Foreign exchange fluctuation loss (net)	-	2,356	-	6,481	11,118
	g) Exploration costs	3,888	4,221	5,762	7,436	16,668
	h) Total	90,131	85,364	180,394	128,645	322,583
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**175,089**	**183,278**	**330,861**	**224,058**	**705,210**
4	a) Other Income	6,198	2,820	11,477	5,627	12,879
	b) Foreign exchange fluctuation gain (net)	53,104	-	53,026	-	-
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**234,391**	**186,098**	**395,364**	**229,685**	**718,089**
6	Interest and finance costs	12,282	12,809	16,742	17,734	29,091
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**222,109**	**173,289**	**378,622**	**211,951**	**688,998**
8	Exceptional Items	(135,518)	-	(10,284)	-	-
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**86,591**	**173,289**	**368,338**	**211,951**	**688,998**
10	Tax expense					
	a) Current tax	9,685	49,261	65,523	60,238	156,107
	b) MAT credit (entitlement) / reversal	2,425	(21,275)	(46,903)	(29,290)	(112,136)
	c) Deferred tax charge/ (credit)	(1,822)	(13,205)	759	(5,644)	11,587
	d) Total	10,288	14,781	19,379	25,304	55,558
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-11)**	**76,303**	**158,508**	**348,959**	**186,647**	**633,440**
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**76,303**	**158,508**	**348,959**	**186,647**	**633,440**

Sr. No.	Particulars	Quarter ended		Six month ended		Previous Financial year ended 31-Mar-11
		30-Sept-11	30-Sept-10	30-Sept-11	30-Sept-10	
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
14	Paid-up Equity Share Capital (Face value of ₹ 10 each)	190,258	189,745	190,258	189,745	190,192
15	Reserves excluding Revaluation Reserves					3,833,584
16	Earnings per share in ₹ (not annualized)					
	a) Basic earnings per share	4.01	8.35	18.34	9.84	33.36
	b) Basic earnings per share (excluding exceptional items)	11.13	8.35	18.89	9.84	33.36
	c) Diluted earnings per share	4.00	8.31	18.28	9.79	33.20
	d) Diluted earnings per share (excluding exceptional items)	11.10	8.31	18.82	9.79	33.20
17	Public Shareholding					
	- Number of shares	911,258,793	714,211,152	911,258,793	714,211,152	718,673,310
	- Percentage of shareholding	47.90%	37.64%	47.90%	37.64%	37.79%
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	991,323,584	1,183,243,791	991,323,584	1,183,243,791	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)	52.10%	62.36%	52.10%	62.36%	62.21%

Notes:-

1. The above unaudited financial results for the current quarter were subjected to a limited review by the auditors of the Company and reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 20th October 2011.

2. 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.

3. Employee costs for the current quarter and six months include stock option charge of ₹ 171 lakhs and ₹ 540 lakhs respectively, computed under the Intrinsic Value Method. The said charge for the current quarter and six months would have been ₹ 1,497 lakhs and ₹ 2,787 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

4. 348,348 additional equity shares were issued during the current quarter on exercise of stock options by the employees of the Cairn India Group.

5. 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.

6. 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 1 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.

7. The proposed sale of shares of the Company by Cairn UK Holdings Limited (the Company's holding company) and its holding company, Cairn Energy Plc. to Vedanta Resources Plc. and its subsidiaries (collectively the 'Vedanta group') resulting in change of control in the management of the Company was approved by the Government of India ('GoI') subject to compliance with certain conditions, two of which related specifically to the Rajasthan block RJ-ON-90/1. Those two conditions were that (i) the royalty payable under the Production Sharing Contract ('PSC') be accepted as a contract cost eligible for cost recovery; and (ii) the Company withdraws its arbitration with respect to the payment of cess. The Company, pursuant to a requisition from Cairn

UK Holdings Limited under section 169 of the Companies Act, 1956 to convene a shareholders' meeting to consider the conditions imposed by the GoI, referred the matter to the shareholders of the Company for their consideration. The shareholders by a majority vote of 97.29% approved the acceptance of both these conditions. Of the shareholders who voted, other than Cairn UK Holdings Limited and the Vedanta group, 84.52% in number and 60.82% in value have voted in favour of acceptance of the conditions. The Board of Directors further resolved that the acceptance of royalty as being cost recoverable and the withdrawal of the arbitration pertaining to cess will be concomitant with the transfer of control of Cairn India Limited to the Vedanta group. Royalty paid by ONGC with respect to the RJ-ON-90/1 block has been treated as cost recoverable resulting in a reduction in revenues and profit after tax for the current quarter by an estimated amount of ₹ 251,449 lakhs. The said amount of ₹ 251,449 lakhs includes ₹ 135,518 lakhs and ₹ 10,284 lakhs upto June 30, 2011 and March 31, 2011 respectively, which has been disclosed as an exceptional item in the above results.

8. In respect of the RJ-ON -90/1 block, revenues of Cairn India Group for the current quarter and six month are net of the estimated share of profit petroleum payable to Government of India of ₹ 15,834 lakhs and ₹ 34,593 lakhs respectively.

9. Cairn Energy Plc. along with its subsidiaries continues to hold majority shares in the Company as they are yet to transfer a majority stake in the Company to Vedanta group. Accordingly Cairn Energy Plc. has been treated as the promoter of the Company. Vedanta group's current holding is at 28.75%.

10. The Group operates in only one segment i.e. "Oil and Gas Operations".

11. Summary of Assets and Liabilities-

Particulars	**As at 30th Sept 2011 (Unaudited)**	**As at 30th Sept 2010 (Unaudited)**
SOURCES OF FUNDS		
Shareholders' funds		
Share capital	190,258	189,745
Stock options outstanding	5,996	5,676
Reserves and surplus	4,183,735	3,379,865
Loan funds		
Secured loan	384	342,424
Unsecured loan	135,000	-
Deferred tax liabilities (net)	58,215	40,833
TOTAL	**4,573,588**	**3,958,543**
APPLICATION OF FUNDS		
Fixed assets including exploration, development and site-restoration costs	1,289,759	1,064,373
Goodwill	2,531,927	2,531,927
Investments	78,296	149,579
Deferred tax assets (net)	1,337	1,945
Current assets, loans and advances		
Inventories	37,463	32,742
Sundry debtors	152,245	136,552
Cash and bank balances	769,635	114,568
Other current assets	7,443	603
Loans and advances	321,111	111,488
Less: Current liabilities and provisions		
Current liabilities	161,747	129,556
Provisions	454,067	69,165
Net current assets	672,083	197,232
Miscellaneous expenditure (to extent not adjusted)	186	13,487
TOTAL	**4,573,588**	**3,958,543**

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: 20th October 2011

Rahul Dhir
Managing Director and Chief Executive Officer

Cairn India Limited

Registered Office: 101, West View, Veer Savarkar Marg, Prabhadevi
Mumbai – 400025

Corporate Office: 3rd & 4th Floors, Vipul Plaza, Sun City, Sector-54
Gurgaon – 122002

UNAUDITED STANDALONE FINANCIAL RESULTS

FOR THE QUARTER ENDED 30TH SEPTEMBER 2011

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

Sr. No.	Particulars	Quarter ended		Six month ended		Previous financial year ended
		30-Sept-11	**30-Sept-10**	**30-Sept-11**	**30-Sept-10**	**31-Mar-11**
		Unaudited	**Unaudited**	**Unaudited**	**Unaudited**	**Audited**
1	a) Income from operations	321	70	376	186	239
	b) Other operating income	-	-	-	-	-
2	Expenditure					
	a) Data acquisition cost	-	-	-	-	200
	b) Employee costs	373	553	765	1,067	2,170
	c) Depreciation, depletion & amortization	1	-	2	2	3
	d) Legal & professional charges	329	656	696	1,030	1,717
	e) Administration costs	440	357	580	518	1,191
	f) Foreign exchange fluctuation (net)	564	-	573	-	-
	g) Exploration costs	443	800	1,072	1,959	6,827
	h) Total	2,150	2,366	3,688	4,576	12,108
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**(1,829)**	**(2,296)**	**(3,312)**	**(4,390)**	**(11,869)**
4	Other Income	2,371	2,516	5,101	4,144	9,271
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**542**	**220**	**1,789**	**(246)**	**(2,598)**
6	Interest and finance costs	2,898	7,822	5,770	11,633	18,669
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**(2,356)**	**(7,602)**	**(3,981)**	**(11,879)**	**(21,267)**
8	Exceptional Items	-	-	-	-	-
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**(2,356)**	**(7,602)**	**(3,981)**	**(11,879)**	**(21,267)**
10	Tax expense (current tax)	474	-	480	-	-
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-11)**	**(2,830)**	**(7,602)**	**(4,461)**	**(11,879)**	**(21,267)**
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**(2,830)**	**(7,602)**	**(4,461)**	**(11,879)**	**(21,267)**

Sr. No.	Particulars	Quarter ended		Six month ended		Previous financial year ended
		30-Sept-11	30-Sept-10	30-Sept-11	30-Sept-10	31-Mar-11
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
14	Paid-up Equity Share Capital (Face value of ₹ 10 each)	190,258	189,745	190,258	189,745	190,192
15	Paid up debt capital			135,000		135,000
16	Reserves excluding Revaluation Reserves					2,985,717
17	Debenture redemption reserve			-		-
18	Earnings/(Loss) per share in ₹ (not annualized)					
	a) Basic earnings/(loss) per share	(0.15)	(0.40)	(0.23)	(0.63)	(1.12)
	b) Diluted earnings/(loss) per share	(0.15)	(0.40)	(0.23)	(0.63)	(1.12)
19	Debt equity ratio			0.04		0.04
20	Debt service coverage ratio			0.30		
21	Interest service coverage ratio			0.30		
22	Public Shareholding					
	- Number of shares	911,258,793	714,211,152	911,258,793	714,211,152	718,673,310
	- Percentage of shareholding	47.90%	37.64%	47.90%	37.64%	37.79%
23	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	991,323,584	1,183,243,791	991,323,584	1,183,243,791	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)	52.10%	62.36%	52.10%	62.36%	62.21%

Notes:-

1. The above unaudited financial results for the current quarter were subjected to a limited review by the auditors of the Company and reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 20th October 2011.

2. Employee costs for the current quarter and six months include stock option charge of ₹ 50 lakhs and ₹ 170 lakhs respectively, computed under the Intrinsic Value Method. The said charge for the current quarter and six months would have been ₹ 1,375 lakhs and ₹ 2,417 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

3. 348,348 additional equity shares were issued during the current quarter on exercise of stock options by the employees of the Cairn India Group.

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. 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 1 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. Cairn Energy Plc. along with its subsidiaries has entered into an agreement with Vedanta Resources Plc. and its subsidiaries (collectively the 'Vedanta group') for transfer of majority shares in the Company to the latter. Since Cairn Energy Plc. is yet to transfer majority shares to Vedanta group, it continues to be treated as the promoter of the Company. Vedanta group's current holding is at 28.75%.

7. Paid up debt capital comprises of secured and unsecured loans.

8. Ratios have been computed as follows:

Debt equity ratio	=	Total debt / Shareholders' fund
Debt service coverage ratio (DSCR)	=	EBIDTA / Interest expense + Principal repayment of debt
Interest service coverage ratio (ISCR)	=	EBIDTA / Interest expense

Debt = Secured loans + Unsecured loans
Shareholders' fund = Share capital + Stock options outstanding + Reserves and surplus – P&L a/c (debit balance)
EBIDTA = Earnings before interest, depreciation and tax

DSCR & ISCR for the year ended March 31, 2011 was not furnished as the EBIDTA was negative.

9. Summary of Assets and Liabilities-

Particulars	As at 30th Sept 2011 (Unaudited)	As at 30th Sept 2010 (Unaudited)
SOURCES OF FUNDS		
Shareholders' funds		
Share capital	190,258	189,745
Stock options outstanding	5,996	5,675
Reserves and surplus	3,020,456	3,012,333
Loan funds		
Secured loan	-	139,500
Unsecured loan	135,000	-
TOTAL	**3,351,710**	**3,347,253**
APPLICATION OF FUNDS		
Fixed assets including exploratory work in progress	2,555	4,044
Investments	3,261,632	3,295,442
Current assets, loans and advances		
Inventories	233	208
Sundry debtors	419	87
Cash and bank balances	60,245	28,090
Other current assets	4,104	380
Loans and advances	5,743	1,470
Less: Current liabilities and provisions		
Current liabilities	20,720	8,656
Provisions	690	294
Net current assets	49,334	21,285
Miscellaneous expenditure (to extent not adjusted)	186	2,328
Profit and Loss account	38,003	24,154
TOTAL	**3,351,710**	**3,347,253**

10. The Company operates in only one segment i.e. "Oil and Gas Operations".

11. Information on investors' complaints for the quarter: opening-Nil, received-6, disposed-6 and closing-Nil.

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: 20th October 2011

Rahul Dhir
Managing Director and Chief Executive Officer