CAIRN INDIA LIMITED
4th Floor | Vipul Plaza | Suncity | Sector 54 | Gurgaon | India - 122 002
T: +91 124 459 3000
www.cairnindia.com

For Immediate Release 24 January, 2012

Cairn India Limited
Third Quarter Financial Results for the period ended 31 December, 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 third quarter (from October - December 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:

"The commencement of production from the Bhagyam field is yet another significant milestone for the Cairn-ONGC Joint Venture in Rajasthan.

With the support of the Government of India and the Government of Rajasthan, the Cairn - ONGC Joint Venture is well placed to further develop the hydrocarbon-rich Barmer Basin in Rajasthan, increase of production and create value for our Nation.

Our successive discoveries in Sri Lanka have established a working hydrocarbon system in the frontier Mannar Basin. This success demonstrates Cairn India's strong skill set, which we will continue to leverage for future opportunities. We have also notified the Sri Lankan Government about our intention to enter the second phase of exploration.

With the new board now in place, Cairn India remains well poised for the next phase of growth."

Q3 FY2011-12 Financial Highlights

- Revenue estimated at ₹ 30,968 million (US$ 610 million)
- EBIDTA estimated at ₹ 23,692 million (US$ 467 million)
- PAT estimated at ₹ 22,619 million (US$ 446 million)
- Cash flow from operations at ₹ 21,353 million (US$ 421 million)
- Net cash of ₹ 64,602 million (US$ 1,214 million) as on 31 December, 2011
- Average daily gross operated production at 169,580 boe (working Interest production at 98,969 barrels of oil equivalent (boe)
    - Reduced nation's crude oil import dependency by ~US$ 1.5bn on a gross basis
    - Gross contribution to the national exchequer (excluding direct taxes) was ~US$ 500 million during the quarter
- Gross Rajasthan development capex till date US$ 3,323 million

Corporate Highlights

- The Vedanta Group now holds 59% of the issued share capital in the company
- Consequent to the change of control, three new directors were appointed to the Cairn India Board; they are Mr. Navin Agarwal, Mr. Tarun Jain and Ms. Priya Agarwal

India Highlights

- **Rajasthan**
    - Mangala field consistently producing at 125,000 barrels of oil per day (bopd) since August 2010; continue to pursue higher offtake of 150,000 bopd
    - Bhagyam field commenced production on 19 January 2012; proceeding in a safe and efficient manner to achieve its currently approved plateau rate of 40,000 bopd

- Target to exit FY 2011-12 at 175,000 bopd from Mangala and Bhagyam fields
- Aishwariya field development underway, with EPC contractors engaged
- Significant part of the currently envisaged basin potential of 240,000 bopd to be met from Mangala, Bhagyam and Aishwariya fields in CY 2013
- Enhanced Oil Recovery (EOR) pilot continues to progress well; based on encouraging results observed from polymer injection phase, an FDP is planned to be submitted by H1 CY 2012 for full field implementation of polymer flood in Mangala
- Cumulative crude sales of more than 70 million barrels (mmbbls) to Indian refiners; generated gross revenues in excess of US$ 6.5 billion to date
- Mangala Processing Terminal (MPT) plant uptime and drilling performance within top decile amongst global peers in Q3 FY 2011-12; demonstrates Cairn India’s commitment to safe and efficient operations

➢ **Other Assets**

- In Ravva, efforts are focussed on identifying bypassed oil zones and evaluating the scope of further potential in the deeper prospects
- In CB/OS-2 work is ongoing to optimise infrastructure usage in conjunction with our partner ONGC
- In KG-ONN-2003/1 block, drilling of an exploration well is ongoing to appraise the Nagayalanka discovery

Sri Lanka Highlights

➢ **SL 2007-01-001 block**

- Completed the first phase of exploration in the frontier Mannar Basin; the three well drilling campaign has resulted in two successive discoveries, establishing a working hydrocarbon system
- Cairn Lanka has notified the Government of Sri Lanka of its intention to enter Phase 2 of the exploration period in the block

Recognitions

➢ The company was adjudged the fastest growing energy company in Asia and the fourth fastest growing in the world at the Platts Top 250 Energy Company Awards 2011 at the International Energy Week, Singapore

➢ Rajasthan Operations bagged 12 awards in the “Silver Jubilee Mines Safety Week” function at Bikaner, Rajasthan under the aegis of the Directorate General of Mines Safety (DGMS)

Financial Review

₹ million	Q3		y-o-y (%)	Q2	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Revenue	30,968	30,964	-	26,522	17
EBITDA	23,692	25,418	7	20,651	15
Margin (%)	76.5%	82.1%		77.9%	
PAT	22,619	20,101	12	7,630*	
Margin (%)	73.0%	64.9%		28.8%	
Basic EPS (₹)	11.89	10.59	12	4.01	
Cash flow from operations	21,353	20,391	5	19,687	8

US$ million	Q3		y-o-y (%)	Q2	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Revenue	610	691	-12	578	6
EBITDA	467	567	-18	450	4
Margin (%)	76.5%	82.1%		77.9%	
PAT	446	448	-	167*	
Margin (%)	73.0%	64.9%		28.8%	
Basic EPS (US$)	0.23	0.24	-1	0.09	
Cash flow from operations	421	455	-7	428	-2

Note:
**Includes exceptional item of one time RJ royalty adjustment; Cash flow from Operations- refers to PAT (excluding other income and exceptional item) prior to non-cash expenses and exploration costs*

Gross cash available as on 31 December, 2011 was ₹ 77,102 million (US$ 1,449 million). The non-convertible debentures (NCD) outstanding as on 31 December, 2011 were ₹ 12,500 million (US$ 235 million). Repayment of ₹ 1,000 million (US$ 20 million) of NCD was done during the quarter.

Revenue reported for the quarter post profit sharing with the Government and the RJ royalty expense was ₹ 30,968 million (US$ 610 million). The royalty estimate (net to the company) for the quarter is ₹ 6,285 million (US$ 124 million). The RJ royalty is estimated at approximately 15% of the revenue.

The profit petroleum in RJ block provided for the quarter was ₹ 5,727 million (US$ 113 million). 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 exploration charge for the quarter was ₹ 1,763 million (US$ 35 million), primarily on account of the plugged and abandoned well in Sri Lanka.

EBITDA reported was ₹ 23,692 million (US$ 467 million), up by 15% QoQ resulting to an EBITDA margin of 77%.

The company has made a net forex gain of ₹ 3,015 million (US$ 59 million) due to depreciation of rupee against the US$.

The EPS for the quarter was ₹ 11.9 per share and reported for nine month FY 2011-12 was ₹ 30.23 per share.

The gross cumulative Rajasthan development capital expenditure spend as on 31 December, 2011 was US$ 3,323 million, of which US$ 100 million was spent during the quarter including US$ 49 million on Bhagyam field.

The company's gross contribution to the national exchequer (excluding direct taxes) was approximately US$ 500 million for the quarter and approximately US$ 9 billion till date.

The average US$-₹ exchange rate for Q3 FY 2011-12 was ₹ 50.73 vs. ₹ 44.84 for Q3 FY 2010-11. The average Q2 FY 2011-12 exchange rate was ₹ 45.66. The closing exchange rate as on 31 December, 2011 was ₹ 53.21.

Corporate Developments

Pursuant to Share Purchase Deed dated 15 August, 2010 (as amended), Vedanta Group ('Acquirer') had agreed to acquire substantial part shareholding of the Company from Cairn UK Holdings Limited ('CUKHL').

The Vedanta Group now holds 59% of the issued share capital of the Company.

Consequent to change of control of the Company, Mr. Navin Agarwal, Mr. Tarun Jain and Ms. Priya Agarwal, nominees of Vedanta Group have been appointed as Directors of the Company. Mr. Navin Agarwal has also been appointed as the Chairman of the Board.

Sir Bill Gammell and Ms. Jann Brown, both nominees of CUKHL have tendered their resignation from the Board of the Company.

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%

	Q3		y-o-y (%)	Q2	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Average daily gross operated production (boepd)	169,580	174,282	-2.7	169,944	-0.2
Average daily working interest production (boepd)	98,969	100,270	-1.3	99,220	-0.3
Average oil price realisation (US$ per bbl)	101.1	76	33.0	102.8	-1.7
Average gas price realisation (US$ per mscf)	4.43	4.5	-1.4	4.51	-1.7
Average price realisation (US$ per boe)	98.4	74.3	32.4	100.3	-1.9

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

	Q3		y-o-y (%)	Q2	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Average daily gross operated production (bopd)	125,122	124,861	0.2	125,251	-0.1
Average daily working interest production (bopd)	87,585	87,403	0.2	87,676	-0.1

The Mangala field is consistently producing at the currently approved plateau rate of 125,000 bopd, since August 2010. Post production start-up in August 2009, the MPT has processed more than 70 mmbbls of crude oil, which has been sold to Public Sector Undertaking (PSU) and private refiners. The plant uptime stood at 99.76% during Q3 FY 2011-12 and figured in the top decile amongst global peers.

Cumulative production from the Saraswati oil field crossed the 50,000 barrels mark. This field commenced production in May 2011 and continues producing at the rate of 250 bopd.

Development drilling and well completion activities continue to progress well. A total of 148 Mangala development wells have been drilled, of which 85 wells are currently producing and 30 injector wells are injecting water into the reservoirs. The other wells will be brought on-stream in a staged manner.

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. Cairn Rajasthan Operations bagged 12 awards in the “Silver Jubilee Mines Safety Week” function at Bikaner, Rajasthan, under the aegis of Directorate General of Mines Safety.

Rajasthan Project Development

Work continues for commissioning of additional production facilities at the MPT to exit FY 2011-12 at 175,000 bopd.

The Bhagyam field, second largest of the 25 discoveries made so far by Cairn in the Rajasthan block, commenced production on 19 January 2012. The reservoir and facilities will entail a gradual and safe ramp up to reach the currently approved plateau of 40,000 bopd. The commissioning of Bhagyam is a key milestone towards achieving the target production rate of 175,000 bopd by exit FY 2011-12.

Further work on the development of the Bhagyam field is ongoing. A total of 62 Bhagyam development wells have been drilled to date. Well results from the Bhagyam development drilling have been as per expectations.

Development work is currently underway in the Aishwariya field. All key contracts including the main EPC contract have now been awarded following the receipt of JV approval in December 2011.

Significant part of the currently envisaged basin potential of 240,000 bopd to be met from Mangala, Bhagyam and Aishwariya fields in CY 2013.

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

Approximately 590 km of the continuously heated and insulated pipeline from MPT to Salaya is currently operational.

The MPT to Salaya section with its delivery infrastructure continues to safely deliver crude oil to IOCL and private refiners and has recorded more than 3.7 million LTI-free man-hours to date. In Q3 FY 2011-12, more than 11 mmbbls of crude oil was safely delivered through the pipeline while maintaining a system availability of more than 99%.

While there are increased external challenges, the construction work on the remaining ~80 km Salaya to Bhogat section of the pipeline including the Bhogat terminal and marine facility, is ongoing. The completion of this section of the pipeline will give an 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 regulatory approvals.

Sales

Crude sales were maintained at 125,000 bopd levels to PSU and private refiners. Sales arrangements are in place for 170,000 bopd with PSU and private refiners for current financial year. Discussions are ongoing with GoI and private buyers for sales agreements for FY 2012-13.

Sales have commenced to IOCL Koyali refinery from the Viramgam Terminal. This now completes the start up of the fourth offtake within the MPT-Salaya section of the pipeline which further augments Cairn India’s capability for accessing crude oil buyers.

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 31 December, 2011. However, with heavy – light spreads narrowing to record levels due to weak Naphtha and strong fuel oil prices, absolute discount to Brent for Rajasthan crude was at 8.3% during the quarter.

Resource Base

The Mangala, Bhagyam and Aishwariya (MBA) fields (including EOR potential) have gross recoverable oil reserves and resources of approximately one billion barrels. 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.

EOR pilot continues to progress well with encouraging results being observed from the currently ensuing polymer injection phase. Preparation for the commencement of the Alkali Surfactant Polymer (ASP) phase is currently underway. 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. 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 based on these results an FDP for a full field application of polymer flood in the Mangala field is under preparation and is expected to be submitted by H1 CY 2012. This will be start of the process for monetising the full EOR potential of the block.

A hydraulic fracturing programme to optimize the development of the Barmer Hill Formation is planned at Mangala and Aishwariya fields, subject to regulatory approvals. This programme will allow evaluation of the appropriate cost effective technology for a fully optimised development of this widespread low permeability oil 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.

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 two fields, i.e., Bhagyam and Aishwariya 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

	Q3		y-o-y (%)	Q2	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Average daily gross operated production (boepd)	36,567	39,434	-7	36,185	1
Average daily oil production (bopd)	26,254	29,667	-12	26,965	-3
Average daily gas production (mmscfd)	62	59	5	55	12
Average daily working interest production (boepd)	8,228	8,873	-7	8,142	1

Ravva is a mature asset and the recent infill drilling and workover campaigns have helped slow down the rate of production decline.

A 4D seismic survey was carried out previously to help identify bypassed oil zones in the reservoir along with prospects in the deeper zones. Interpretation of the seismic data is currently in progress.

Cairn India and its JV partners are focussed on optimising value from this asset.

The Ravva Asset achieved more than six and a half million Lost Time Injury (LTI) free man-hours to date and had an uptime of 98% in Q3 FY 2011-12.

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

	Q3		y-o-y (%)	Q2	q-o-q (%)
	FY 2011-12	FY 2010-11		FY 2011-12	
Average daily gross operated production (boepd)	7,890	9,988	-21	8,508	-7
Average daily oil production (bopd)	4,795	6,279	-24	5,390	-11
Average daily gas production (mmscfd)	19	22	-17	19	-
Average daily working interest production (boepd)	3,156	3,995	-21	3,403	-7

Cairn and its JV partners continue efforts to optimise infrastructure usage in the block. 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. An infill drilling campaign is planned in the Lakshmi field to sustain production.

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 99% in Q3 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. Discussions are ongoing to help realise further potential in the block. 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 was spud on 25 November 2011, to test and appraise the Nagayalanka Discovery. Drilling is in progress.

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 KG-DWN-98/2 block (Cairn India – 10%, ONGC is the Operator), Cairn India has decided to sell off its stake to its JV partner ONGC, and focus on other areas of strategic interest elsewhere in its portfolio. This divestment of non-material equity is a part of its continuous portfolio optimisation.

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

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 successfully completed the first phase of the exploration campaign in Sri Lanka Block SL-2007- 01-001. The exploration programme involved the acquisition, processing and interpretation of 1,753 sq km of 3D seismic data and the drilling of three well deep water wells. This resulted in two successive gas and condensate discoveries: the CLPL-Dorado- 91H/1z well and, the CLPL-Barracuda-1G/1 well. The third well, CLPL-Dorado North 1- 82K/1 was plugged and abandoned as a dry hole on 14th December, 2011.

The operations were conducted safely, in accordance with the highest global standards, within schedule, budget and in compliance with Sri Lankan regulations. Cairn Lanka's successful drilling programme - the first in Sri Lanka in 30 years – has established a working petroleum system in the frontier Mannar Basin.

Following this success, Cairn Lanka has notified the government of Sri Lanka of its intention to enter the second phase of exploration. The support of the Government of Sri Lanka and an effective partnership with the relevant authorities in Sri Lanka, were instrumental in ensuring the successful completion of the first phase exploration programme.

CAIRN INDIA LIMITED
4th Floor | Vipul Plaza | Suncity | Sector 54 | Gurgaon |India - 122 002
T: +91 124 459 3000
www.cairnindia.com

Cairn India Limited

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

UNAUDITED CONSOLIDATED FINANCIAL RESULTS

FOR THE QUARTER ENDED 31 DECEMBER 2011

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

Sr. No.	Particulars	Quarter ended			Nine month ended		Previous financial year ended 31-Mar-11
		31-Dec-11	30-Sept-11	31-Dec-10	31-Dec-11	31-Dec-10	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Income from operations	309,676	265,220	309,644	820,932	662,346	1,027,793
	b) Other operating income	-	-	-	-	-	-
2	Expenditure						
	a) (Increase)/Decrease in stock-in-trade	(1,142)	(371)	493	(948)	(3,524)	(2,636)
	b) Operating expenses	46,529	47,084	45,764	136,183	110,211	151,703
	c) Employee costs	2,728	2,347	3,152	6,982	8,039	11,046
	d) Depreciation, depletion & amortization	37,872	31,422	28,706	103,896	72,862	119,296
	e) Administration costs	7,006	5,761	3,896	21,513	9,148	15,388
	f) Foreign exchange fluctuation loss (net)	-	-	-	-	6,269	11,118
	g) Exploration costs	17,631	3,888	2,158	23,393	9,594	16,668
	h) Total	110,624	90,131	84,169	291,019	212,599	322,583
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**199,052**	**175,089**	**225,475**	**529,913**	**449,747**	**705,210**
4	a) Other Income	11,235	6,198	3,416	22,713	8,831	12,879
	b) Foreign exchange fluctuation gain (net)	30,147	53,104		83,173		-
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**240,434**	**234,391**	**228,891**	**635,799**	**458,578**	**718,089**
6	Interest and finance costs	2,401	12,282	7,422	19,143	25,157	29,091
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**238,033**	**222,109**	**221,469**	**616,656**	**433,421**	**688,998**
8	Exceptional Items	-	(135,518)	-	(10,284)	-	-
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**238,033**	**86,591**	**221,469**	**606,372**	**433,421**	**688,998**
10	Tax expense						
	a) Current tax	39,791	9,685	46,002	105,315	106,240	156,107
	b) MAT credit (entitlement) / reversal	(27,337)	2,425	(34,421)	(74,240)	(63,711)	(112,136)
	c) Deferred tax charge/ (credit)	(614)	(1,822)	8,876	145	3,231	11,587
	d) Total	11,840	10,288	20,457	31,220	45,760	55,558
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-10)**	**226,193**	**76,303**	**201,012**	**575,152**	**387,661**	**633,440**
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**226,193**	**76,303**	**201,012**	**575,152**	**387,661**	**633,440**
14	Paid-up Equity Share Capital (Face value of ₹ 10 each)	190,297	190,258	190,074	190,297	190,074	190,192
15	Reserves excluding Revaluation Reserves						3,833,584
16	Earnings per share in ₹ (not annualized)						
	a) Basic earnings per share	11.89	4.01	10.59	30.23	20.43	33.36
	b) Diluted earnings per share	11.85	4.00	10.53	30.13	20.33	33.20

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Sr. No.	Particulars	Quarter ended			Nine month ended		Previous Financial year ended 31-Mar-11
		31-Dec-11	30-Sept-11	31-Dec-10	31-Dec-11	31-Dec-10	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
17	Public Shareholding						
	- Number of shares	780,254,634	911,258,793	717,492,615	780,254,634	717,492,615	718,673,310
	- Percentage of shareholding	41.00%	47.90%	37.75%	41.00%	37.75%	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	1,122,713,999	991,323,584	1,183,243,791	1,122,713,999	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%	100%
	-Percentage of shares (as a % of the total share capital of the Company)	59.00%	52.10%	62.25%	59.00%	62.25%	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 24 January 2012.

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 nine months include stock option charge of ₹ 1,168 lakhs and ₹ 1,708 lakhs respectively, computed under the Intrinsic Value Method. The said charge for the current quarter and nine month would have been ₹ 2,437 lakhs and ₹ 5,225 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

4. 386,256 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 sale of shares of the Company by Cairn UK Holdings Limited and its holding company, Cairn Energy Plc. to Vedanta Resources Plc. and its subsidiaries Twin Star Mauritius Holdings Limited, Sesa Goa Limited and Sesa Resources Limited (collectively the 'Vedanta group') resulted in change of control of the Company during the current quarter. Accordingly, royalty paid by ONGC with respect to the RJ-ON-90/1 block has been treated as cost

recoverable, as this was one of the pre-conditions imposed by Government of India ('GoI') for approving this transaction of sale of shares. This has resulted in reduction in revenues and profit after tax for the current quarter by ₹ 62,852 lakhs. The impact of the same till September 30, 2011 aggregating to ₹ 251,449 lakhs was accounted for in the quarter ended on that date and included ₹ 135,518 lakhs and ₹ 10,284 lakhs upto June 30, 2011 and March 31, 2011 respectively, which was disclosed as an exceptional item in the said quarter. Further, the revenues for the current quarter and nine month are net of the estimated share of profit petroleum payable to GoI of ₹ 57,270 lakhs and ₹ 91,863 lakhs respectively.

8. Subsequent to sale of majority shares in the Company as referred to above, Cairn Energy Plc. along with its subsidiaries, which is presently holding 415,562,964 shares (21.84%) of the Company, ceased to be its promoter. Vedanta group is now the promoter of the Company.

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

10. Previous quarters / nine 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 **Rahul Dhir**
Date: 24th January 2012 **Managing Director and Chief Executive Officer**

CAIRN INDIA LIMITED
4th Floor | Vipul Plaza | Suncity | Sector 54 | Gurgaon | India - 122 002
T: +91 124 459 3000
www.cairnindia.com

Cairn India Limited

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

UNAUDITED STANDALONE FINANCIAL RESULTS

FOR THE QUARTER ENDED 31 DECEMBER 2011

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

Sr. No.	Particulars	Quarter ended			Nine month ended		Previous financial year ended 31-Mar-11
		31-Dec-11	30-Sept-11	31-Dec-10	31-Dec-11	31-Dec-10	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Income from operations	359	321	34	735	220	239
	b) Other operating income	-	-	-	-	-	-
2	Expenditure						
	a) Data acquisition cost	-	-	122	-	122	200
	b) Employee costs	410	373	792	1,174	1,859	2,170
	c) Depreciation, depletion & amortization	1	1	-	3	1	3
	d) Legal & professional charges	487	329	274	1,183	1,303	1,717
	e) Administration costs	309	440	385	889	904	1,191
	f) Foreign exchange fluctuation (net)	626	564	7	1,199	-	-
	g) Exploration costs	327	443	2,348	1,399	4,307	6,827
	h) Total	2,160	2,150	3,928	5,847	8,496	12,108
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**(1,801)**	**(1,829)**	**(3,894)**	**(5,112)**	**(8,276)**	**(11,869)**
4	Other Income	13,918	2,371	2,406	19,019	6,542	9,271
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**12,117**	**542**	**(1,488)**	**13,907**	**(1,734)**	**(2,598)**
6	Interest and finance costs	2,715	2,898	5,208	8,485	16,841	18,669
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**9,402**	**(2,356)**	**(6,696)**	**5,422**	**(18,575)**	**(21,267)**
8	Exceptional Items	-	-	-	-	-	-
9	**Profit/(Loss) from Ordinary Activities before tax (7+8)**	**9,402**	**(2,356)**	**(6,696)**	**5,422**	**(18,575)**	**(21,267)**
10	Tax expense (current tax)	193	474	-	674	-	-
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-10)**	**9,209**	**(2,830)**	**(6,696)**	**4,748**	**(18,575)**	**(21,267)**
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**9,209**	**(2,830)**	**(6,696)**	**4,748**	**(18,575)**	**(21,267)**
14	Paid-up Equity Share Capital (Face value of ₹ 10 each)	190,297	190,258	190,074	190,297	190,074	190,192
15	Reserves excluding Revaluation Reserves						2,985,717
16	Earnings/(Loss) per share in ₹ (not annualized)						
	a) Basic earnings/(loss) per share	0.48	(0.15)	(0.35)	0.25	(0.98)	(1.12)
	b) Diluted earnings/(loss) per share	0.48	(0.15)	(0.35)	0.25	(0.98)	(1.12)
17	Public Shareholding						
	- Number of shares	780,254,634	911,258,793	717,492,615	780,254,634	717,492,615	718,673,310
	- Percentage of shareholding	41.00%	47.90%	37.75%	41.00%	37.75%	37.79%

Sr. No.	Particulars	Quarter ended			Nine month ended		Previous financial year ended
		31-Dec-11	30-Sept-11	31-Dec-10	31-Dec-11	31-Dec-10	31-Mar-11
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
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	1,122,713,999	991,323,584	1,183,243,791	1,122,713,999	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%	100%
	-Percentage of shares (as a % of the total share capital of the Company)	59.00%	52.10%	62.25%	59.00%	62.25%	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 24 January 2012.

2. Employee costs for the current quarter and nine month include stock option charge of ₹ 73 lakhs and ₹ 243 lakhs respectively, computed under the Intrinsic Value Method. The said charge for the current quarter and nine month would have been ₹ 1,346 lakhs and ₹ 3,763 lakhs respectively, if computed under the Fair Value (Black Scholes) Method.

3. 386,256 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. As a result of transfer of majority shares in the Company during the current quarter, Cairn Energy Plc. along with its subsidiaries, which is presently holding 415,562,964 shares (21.84%) of the Company, ceased to be its promoter. Vedanta Resources Plc. along with its subsidiaries is now the promoter of the Company.

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

8. Information on investors' complaints for the quarter: opening-Nil, received-4, disposed-4 and closing-Nil.

9. Previous quarters / nine 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: 24 January 2012

Rahul Dhir
Managing Director and Chief Executive Officer

CAIRN INDIA LIMITED
4th Floor | Vipul Plaza | Suncity | Sector 54 | Gurgaon | India - 122 002
T: +91 124 459 3000
www.cairnindia.com

Contact Details

Analysts/Investors
Anurag Mantri, Group Financial Controller +919810301321

Media
Manu Kapoor, Director - Corporate Affairs & Communications +919717890260

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 India is now part of the Vedanta Group, a globally diversified natural resources group with wide ranging interests in aluminium, copper, zinc, lead, silver, iron ore, etc.

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 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.

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

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

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
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
GoSL	Government of Sri Lanka
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
PRA	Petroleum Resources Agreement
qoq	Quarter on Quarter
SL	Sri Lanka
Vedanta Group	Vedanta Resources plc and/or its subsidiaries from time to time, but shall not include CIL
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
PRDS	Petroleum Resources Development Sectretariat
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
Mannar Basin	Located in the Gulf of Mannar, situated on the NE shallow continental shelf of Sri Lanka
MBA	Mangala, Bhagyam and Aishwariya
Thumbli	Youngest reservoirs encountered in the basin. The Thumbli is the primary reservoir for the Raageshwari field