For Immediate Release **21st July, 2016**

Cairn India Limited

Quarterly Financial Results for the period ended 30th June, 2016

Normalized net profit up by 88% QoQ to ₹ 360 crore

Financial Highlights

- Revenue at ₹ 1,885 crore (US$ 282 mn); up 10% QoQ on improved price realization
- EBITDA at ₹ 794 crore (US$ 119 mn); up 48% QoQ on account of higher revenues and reduction in operating cost
- Normalized net profit at ₹ 360 crore (US$ 54 mn); up 88% QoQ
- Strong total free cash flow of ₹ 1,521 crore (US$ 226 mn) generation despite low oil price; robust Cash and Cash Equivalents position of ₹ 23,394 crore (US$ 3.5 bn)
- Discount to Brent for Rajasthan (RJ) crude at US$ 8.2/bbl, reduced from 19.8% to 17.8%

Operational Highlights

- World's largest Polymer EOR project contributing ~42 kboepd; up 31% QoQ
- Average gross oil and gas production maintained at 206 kboepd
- Continuous improvement in RJ water-flood operating cost, reduced by 7% QoQ and 14% from FY16 to US$ 4.4/boe; polymer injection cost in Mangala also 25% below guidance
  - ~25% reduction in well maintenance expenses from FY16, ~40% work-over optimization
  - ~24% reduction in crude processing charges from FY16, savings on chemical cost and gas compressor rentals

Development / Exploration Highlights

- Ultimate gas recovery potential up by ~25% in RDG post completion of hydro-fraccing in 15 wells. Gross recovery (*gas and condensate*) till 2030 up from 74 mmboe to 86 mmboe
- Polymer flood in MBA has potential to add ~10-12% recovery, further to 30-35% estimated from water-flooding. Development plan for Aishwariya (15 mmbbls EUR) and Bhagyam (45 mmbbls EUR) EOR till 2030 expected to be submitted in current quarter and 1H CY17, respectively.
- Development of Aishwariya Barmer Hill (20-30 mmbbls EUR) envisaged in stages. Production from stage-1 expected in current fiscal year. Exploration potential of 1.4 bnboe of HIIP in Barmer Hill offers a growth opportunity with an estimated ultimate recovery of 8-10%
- Seismic data interpretation ongoing to identify new prospects near Raageshwari Deep Gas field and other areas within the block

Corporate and Regulatory Developments

- At the Annual General Meeting held earlier in the day, members have voted on all items of the AGM Notice. The results shall be declared within the prescribed time limits and will also be placed at the website of the Company and CDSL.
- Mike Wylie joins Cairn India as Head of Tight Oil business. His rich experience on unconventional resources from his earlier tenure at Exxon Mobil and Newfield Exploration, will help strength the focus on the tight oil resources.
- Cairn India remains committed to the Cairn - Vedanta Limited merger and continue to work towards its completion. The merger would generate value for shareholders delivering stable

cash flows through the cycle by providing exposure to a large, resilient and diversified commodity portfolio with significant near term growth potential.

- The PSC extension and crude export writs are *sub judice* in the Hon'ble High Court of Delhi. Pursuant to the Delhi High Court's directions, ONGC in the capacity of the Contractor (as per the PSC) communicated its consent to the extension of PSC on the same terms and conditions for a period of 10 years. The Rajasthan JV partners keenly await Government's expeditious decision on PSC extension, to initiate large investment.
- In May 2016, the MoPNG launched Discovered Small Fields Bid Round - 2016. This is a significant step towards a more simplified and transparent, administrative and regulatory set-up for the Oil & Gas sector. Cairn India believes this will increase production and investments in the Indian Oil & Gas sector.

Mr. Sudhir Mathur, CFO and Acting CEO of Cairn India commented:

"The Cairn team has delivered a resilient performance, registering 88% increase in profit for the quarter on sequential basis. We have taken significant measures to drive cost efficiency and rationalize capital investment, resulting in free cash generation in a lower-for-longer oil price environment.

We remain committed to our four projects - RDG Gas, Enhance Recovery at Bhagyam & Aishwariya as well as the tight oil projects. Sharp reductions in drilling and fraccing costs coupled with learnings from Mangala EOR give us the confidence that we will be ready to execute in a US$ 50/barrel world within 12 months."

Operational Review

During Q1 FY17, Cairn had a gross production of 17.9 mmboe across all the assets, of which working interest production was 11.4 mmboe. Gross Sales was 17.7 mmboe averaging at 195,003 boepd.

Average Daily Production	Units	Q1			Q4	
		FY17	FY16	y-o-y (%)	FY16	q-o-q (%)
Total Gross operated*	Boepd	206,455	217,935	-5%	206,170	0%
Gross operated	**Boepd**	**196,861**	**209,738**	**-6%**	**197,039**	**0%**
Oil	Bopd	190,305	203,731	-7%	190,271	0%
Gas	Mmscfd	39	36	9%	41	-3%
Working Interest	Boepd	125,391	130,565	-4%	125,775	0%
Rajasthan (Block RJ-ON-90/1)						
Total Gross operated*	Boepd	175,760	179,683	(2%)	176,039	(0%)
Gross operated	**Boepd**	**166,943**	**172,224**	**(3%)**	**167,650**	**(0%)**
Oil	Bopd	164,547	170,686	(4%)	164,826	(0%)
Gas	Mmscfd	14	9	56%	17	(15%)
Gross DA 1	Boepd	150,699	149,651	1%	150,918	(0%)
Gross DA 2	Boepd	16,244	22,573	(28%)	16,732	(3%)
Gross DA 3	Boepd	-	-	-	-	-
Working Interest	Boepd	116,860	120,557	(3%)	117,355	(0%)
Ravva (Block PKGM-1)						
Total Gross operated*	Boepd	20,664	29,563	(30%)	20,068	3%
Gross operated	**Boepd**	**19,637**	**28,556**	**(31%)**	**19,058**	**3%**
Oil	Bopd	17,014	25,245	(33%)	16,588	3%

Average Daily Production	Units	Q1			Q4	
		FY17	FY16	y-o-y (%)	FY16	q-o-q (%)
Gas	Mmscfd	16	20	(21%)	15	6%
Working Interest	Boepd	4,418	6,425	(31%)	4,288	3%
Cambay (Block CB/OS-2)						
Total Gross operated*	Boepd	10,031	8,689	15%	10,063	(0%)
Gross operated	**Boepd**	**10,281**	**8,958**	**15%**	**10,331**	**(0%)**
Oil	Bopd	8,744	7,800	12%	8,856	(1%)
Gas	Mmscfd	9	7	33%	9	4%
Working Interest	Boepd	4,113	3,583	15%	4,133	(0%)

***** Includes internal gas consumption

Operations

Rajasthan (Block RJ-ON-90/1)

The Rajasthan block crossed the cumulative production of 350 mmboe in Q1 FY17, with a total production of ~354 mmboe by the end of the quarter. Gross production was largely stable at 15.2 mmboe at an average of 166,943 boepd, aided by encouraging Mangala EOR volumes and inline performance from Aishwariya. Contribution from Mangala EOR increased by ~31% to an average of 42,000 boepd for the quarter from 32,000 boepd in Q4 FY16, driven by enhanced well productivity and new wells coming online. Production optimization and maximization of liquid handling capacity helped maintain strong performance from Aishwariya. Satellite Field's production increased ~4% QoQ to an average of ~3.5 Kbopd in Q1 FY17. Total oil sales for the quarter was 14.9 mn barrels, at an average rate of 164,169 bopd.

Gas production from RDG remained firm at an average of 28 mmscfd, amounting to 2.6 bcf. Hydro-frac campaign of 15 wells that started in December 2015 to sustain the growth level, was successfully completed Total gas sales was 1.3 bcf, maintaining an average rate of 14.4 mmscfd.

The water-flood operating cost in Rajasthan has been consistently brought down over the past six quarters to US$ 4.4/boe in Q1 FY17 from US$5.2/boe in FY16 through cost reduction in crude processing and work-over optimization activities. Blended operating cost was also reduced to US$ 6.4/boe from US$6.5/boe while maintaining the injection of polymer at the targeted level of 400 kblpd.

Maintaining continued focus of safe operations and asset integrity, the average facility uptime was over 99% in Q1 FY17. Lost Time Incident (LTI) free man-hours for Rajasthan Projects crossed 30 million since last LTI.

A routine operational and statutory maintenance shutdown at the Mangala Processing Terminal is planned in later half of September. While this would have an impact on production, the opportunity will be used to create tie-ins for ongoing new facility enhancements, development projects and future growth projects.

Ravva (Block PKGM-1)

The Ravva block continues to be an excellent example of good reservoir management, having produced more than 278 mmbbls of crude and over 345 bcf of gas with an overall recovery of ~50% since inception in 1994, far greater than the initial resource estimates at the time of the PSC award. In Q1 FY17, Ravva production increased 3% QoQ to 1.8 mmboe at an average rate of 19,637 boepd on account of improvement in well productivity after the well stimulation program was carried out in Q4 FY16. Prudent reservoir management through continuous surveillance, sustained water injection and optimizing the lift gas, has helped offset the natural decline. For Q1 FY17, 1.5 mmbbls of crude and 1.4 bcf of gas were sold, averaging 16,934 bopd of crude oil and 16 mmscfd of gas, respectively.

With a strong focus on asset integrity, Ravva recorded an uptime of 99.9% in Q1 FY17. Maintaining its high safety standards, Ravva asset completed two years of Lost Time Incident (LTI) free operations this quarter and recorded 4.9 million LTI free man-hours since last LTI.

Cambay (Block CB/OS-2)

The Cambay block has been consistently delivering strong performance with a total production of more than 25 mmbbls of crude and over 226 bcf of gas since inception in 2002. For Q1 FY17, the production remained steady at 0.9 mmboe at an average rate of 10,281 boepd. Effective reservoir management practices and production optimization measures helped offsetting the natural decline in the block. During the quarter, 0.7 mmbbls of crude and 0.8 bcf of gas were sold, averaging 7,343 bopd of crude oil and 9.2 mmscfd of gas, respectively.

Facilities maintained excellent uptime of 99.9% in Q1 FY17 and recorded 3.4 million LTI free man-hours.

Development

With an aim to monetize the large base of resources of over one billion boe in Rajasthan, significant development efforts have been undertaken to improve their economics. Following activities were undertaken in this direction in the key projects:

Mangala EOR

The world-class polymer project in Mangala has been successfully implemented and stabilized within the acceptable efficiency range within a span of one year. It continues to perform on expected lines as polymer injection is maintained at the target level of 400 kblpd. EOR contribution increased to an average of about 42,000 boepd in Q1 FY17 from 32,000 boepd in Q4 FY16. Encouraging results from Mangala polymer flood gives the confidence to pursue it in Bhagyam and Aishwariya also.

The specialized technology for produced water treatment has already been partially commissioned and the initial results of the water quality from the skim tanks are as per expectations. Common facilities for all well-pads are in place and injection is ongoing at all the well-pads as per plan.

Gas Development at RDG Field

Based on superior initial well productivity post conclusion of the hydro-frac campaign and better reservoir characterization, the Expected Ultimate gas recovery from RDG has increased by ~25%. The recovery estimates till 2030, including of condensate, increased from 74 mmboe to 86 mmboe. Focus on cutting-edge technology and design improvements has led to over 100% increase in initial well productivity to 8-10 mmscfd compared to wells fracced during the2009-10 campaign. ‘Limited Entry Technique’ for fracturing and better design in terms of larger numbers of fracs, higher proppant concentration etc increased the pay coverage by ~30%. Introduction of 'Addressable Switch Firing System' perforation technique has halved the number of days per frac to 2.2 days resulting in ~50% reduction in per frac cost to US$ 230k; 35% of this optimization is structural in nature driven by design engineering and operational efficiency savings.

Good progress has been made on phased ramp-up of gas production through return based capital discipline approach while ensuring sustained production growth. As part of Phase 1, fraccing has been completed in all the 15 wells and the wells are being put on production after testing and clean-up. Debottlenecking of existing facilities through low cost augmentation is underway. Completion of Phase 1 is expected to increase the gas production to 40-45 mmscfd by end of 1H CY17. For Phase 2, tendering for new gas processing terminal Long Lead Items, drilling rig and services is progressing as per plan. Tendering activity for the EPC contract for gas evacuation pipeline from Raageshwari to Pali and Pali to Mehsana planned to be constructed by GSPL India Gasnet Limited is also progressing as per schedule. Completion of Phase 2 will increase the gas production to 100 mmscfd.

Polymer flood in Bhagyam and Aishwariya

Continued efforts to reduce the cost through scope optimization have resulted in improving the economics of polymer flood in Bhagyam and Aishwariya. Recovery from MBA is estimated at 10-12% through polymer flood, in addition to 30-35% from water-flood operations. At present incremental production of 45 mmbbls in Bhagyam and 15 mmbbls in Aishwariya are expected through polymer flood till 2030. In-line with the return focused capital investment approach, the initial implementation will take place in a favourable region to reduce drilling and surface facility costs. This has helped reduced the development and operating cost per barrel by 25-30% compared to the cost based on initial plan for full field development. Efforts are underway to further bring down the cost by 10-20% to improve the economics at a low oil price. Multiple options are being evaluated to reduce the cost through design innovations, drilling and completion optimization, and alternate technology and material. Learnings from Mangala EOR in terms of enhanced development through fewer wells, use of standardized skids and optimizing polymer consumption, will also help lower the cost further.

Multi-well polymer injectivity test in Bhagyam to improve injection rate modelling is currently underway. Revised development plan is expected to be submitted to the JV partner in 1H CY17 after incorporating results of the test. Polymer injection is planned begin in Q1 CY19 subject to approval of the plan. For Aishwariya EOR, concept report has been finalized and development plan is expected to be submitted in the current quarter. First polymer injection is expected in 1H CY18.

Barmer Hill

With a large exploration potential of 1.4 bnboe of HIIP, Barmer Hill offers an excellent growth opportunity, with an estimated ultimate recovery of 8-10% till 2030. The focus is to monetize the Barmer Hill formations of Mangala and Aishwariya by leveraging the existing infrastructure. The recently concluded field appraisal program saw an improvement in operating efficiency and technology implementation. Introduction of advanced technologies like 'Microseismic' and 'Chemical Tracer Technology' also helped in improving the recovery. Aishwariya Barmer Hill is also expected to benefit from its reservoir outperformance. With the initial results indicating 30% higher productivity compared to the expectation, ultimate recovery per well is estimated to be double of initial prognosis. Increase in number of fracs per day from one to three has helped reduce the well completion cost for lateral wells by ~20% from the initial estimates. Efforts are ongoing to further reduce it by 20-30% to US$ 4.5-5 million per well, through design improvement in well construction.

Development of Aishwariya Barmer Hill, with total EUR of 20-30 mmbbls, is envisaged in stages to de-risk the capital investment. Stage-1 includes development of the appraisal wells to increase the production at low investment. Technical and commercial discussion with the JV partner is in advanced stage and first oil is expected in the current fiscal year. Future stages shall be developed with improvement in economics driven by enhanced recovery and cost reduction. For Mangala Barmer Hill, internal studies and field pilots are being carried out to optimize and finalize the development plan.

Satellite Field

Production enhancement and cost reduction are key focus areas in Satellite Field. The operating cost optimization initiatives like reducing fuel expense by substituting diesel with produced gas/grid power where possible, optimizing well intervention expense through effective use of low cost alternatives and minimizing trucking costs for produced liquids have yielded good results. Considerable progress on preparing development plans for additional satellite resources at minimal development costs has been achieved. Stage-1 development plan of Guda field is in advanced stages of discussion with the JV partner. These additional resources provide optionality and are expected to be monetized with improvement in their economics.

Exploration

Exploration activities will continue focussing on seismic interpretation while integrating the well information from the previous extensive exploration campaign to build a large portfolio for future growth.

Rajasthan

In-line with the re-phased exploration program, the focus is continued on appraisal of new discoveries and processing of the new 3D seismic data over high priority areas during Q1 FY17. The data obtained during appraisal work for NL and V&V fields is being evaluated, with the objective of progressing these discoveries to development.

The recently acquired 3D seismic data over Raageshwari field and adjoining areas has been processed in pre-stack depth migration mode, which has improved the subsurface imaging. Data interpretation is underway to identify new prospects near Raageshwari deep gas field. Processing of 3D seismic data in other areas of Rajasthan block (DP and Air Field South) is ongoing with a focus upon identifying additional prospects that will act to replenish the exploration prospect inventory.

Other India and International Assets

KG Offshore (Block KG-OSN-2009/3): Cairn continues to engage with the MoPNG for an extension contingent upon full lifecycle clearance from Ministry of Defence. Phase-I was up to 8th March 2016. Interpretation of the new seismic volumes has resulted in identification of four prospects and a number of smaller leads over different play types.

KG Onshore (Block KG-ONN-2003/1): ONGC, the development operator, has submitted the Field Development Plan (FDP) to the Management Committee (MC). The FDP is being reviewed by the MC.

Palar-Pennar (Block PR-OSN-2004/1): Preparation for drilling the commitment wells in 2017-18 is in progress. Process for receiving Coastal Regulatory Zone clearance is also initiated. The JV is engaging with the MoPNG for proportionate revision of work program commitment from three wells to two wells in view of lack of access to the full block area.

Mumbai Offshore (Block MB-DWN-2009/1): Due to lack of prospectivity and high risk, Cairn has submitted an application for relinquishment of the block. The first exploration phase expired on 16th April 2016.

South Africa (Block 1): The prospect inventory for the block has been finalised. Assessment of exploration potential of inboard plays is ongoing to provide other drilling options. A decision on the proposed legislative changes to the Mineral and Petroleum Resources Development Act 2002 and the consequent applicable fiscal regime for progressing into the second exploration license phase is awaited.

Financial Review

In-line with the requirement of Ministry of Corporate Affairs, the financial statements are prepared under Indian Accounting Standards (IndAS). Numbers for FY16 have also been restated as per IndAS. A detailed Annexure, explaining the key changes under IndAS and their impact on the profit and reserves, has also been attached.

	Q1			Q4	
₹ Crore	**FY17**	**FY16**	**y-o-y (%)**	**FY16**	**q-o-q (%)**
Net Revenue	1,885	2,627	(28%)	1,717	10%
EBITDA	794	1,353	(41%)	537	48%
Margin (%)	42%	51%		31%	
Normalized PAT	360	501	(28%)	191	88%
Reported PAT	360	501	(28%)	(564)	NA
Margin (%)	19%	19%		(33%)	
EPS (₹) – Diluted	1.92	2.67	(28%)	(3.00)	NA
Cash EPS (₹)	6.73	9.10	(26%)	5.67	19%

Average Price Realization	**Units**	**Q1**			**Q4**	
		FY17	**FY16**	**y-o-y (%)**	**FY16**	**q-o-q (%)**
Cairn India	US$/boe	38.0	56.0	(32%)	28.2	35%
Oil	US$/bbl	37.9	56.3	(33%)	27.8	36%
Gas	US$/mscf	7.1	6.6	8%	7.4	(4%)

In Q1 FY17, net revenue increased 10% QoQ to ₹ 1,885 crore on account of a significant rise in Brent prices. Brent prices were up 33% during the quarter, resulting into a 35% QoQ increase in the overall realization to US$ 38.0/boe. Realization for RJ crude also increased by 36% to US$ 37.4/bbl as discount to Brent was at US$ 8.2/bbl, which reduced from 20% to 18% over the quarter. A lower increase in revenue was due to a higher amount of profit petroleum. During the quarter, net profit petroleum more than doubled to ₹ 648 crore (US$ 97 million) including ₹ 549 crore (US$ 82 million) for Rajasthan block. Net royalty was ₹ 366 crore (US$ 55 million) with Rajasthan share of ₹ 363 crore (US$ 54 million).

With constant efforts to reduce the cost, the water-flood operating cost in RJ was further reduced to US$ 4.4/boe in Q1 FY17 from US$ 4.8/boe in Q4 FY16 and US$ 5.2/boe in FY16. Reduction in the well maintenance expenses through continuous optimization of work-over activities and lower crude processing charges due to savings on chemical cost and gas compressor rentals resulted into decline in the operating cost. Blended operating cost for RJ was also reduced to US$ 6.4/boe in Q1 FY17 from US$ 6.5/boe in FY16 with polymer injection being maintained at the targeted level of 400 kblpd. Continuous interventions to reduce the polymer cost resulted into a polymer injection cost being ~25% lower than the guidance. Purchase of power from open exchange has also decreased the energy expenses and work on enhancing the captive power generation to reduce the cost further is underway.

EBITDA for the quarter increased 48% QoQ to ₹ 794 crore with an EBITDA margin of 42%. Higher revenue, reduction in operating cost and lower Cess charges on ad-valorem basis led to increase in EBITDA. DD&A charges increased 9% QoQ to ₹ 810 crore as per IndAS computation, wherein 2P reserves on entitlement interest basis and addition of future capex to current asset base for development of these reserves are considered for DD&A calculation. Other income was stable at ₹ 528 crore. Movement in Rupee of 1.4% depreciation versus US Dollar resulted into a forex loss of ₹ 125 crore, in accordance with IndAS.

Normalized profit after tax was 88% up QoQ at ₹ 360 crore driven by higher EBITDA but was partly offset by higher DD&A charges and forex losses. A higher profit resulted into Earnings per share of ₹ 1.9 for Q1 FY17. Cash EPS was also up 19% QoQ to ₹ 6.7 due to higher EBITDA.

Cash flow from operations for Q1 FY17 was ₹ 735 crore. Net capital investment for the quarter was ₹ 70 crore (US$ 11 million), which was distributed between development and exploration activities in the ratio of 82% and 18%, respectively. Total free cash flow was recorded at ₹ 1,521 crore. Closing cash and cash equivalent position is strong at ₹ 23,394 crore (US$ 3.5 billion), of which 68% is invested in rupee funds and 32% in dollar funds.

Health, Safety, Environment and Sustainability

Cairn India's continued focus on health, safety, environment and sustainability has helped sustain excellent HSES performance over the years. Cambay asset won CII - Western Region HSE Excellence Award 2015-16 in Manufacturing Category. At the 29th Mines Safety Week 2015 Awards organised by the Directorate General of Mines Safety - Ajmer Region, Mangala Processing Terminal secured first prize in overall performance while the other four installations also won prizes in different categories.

Corporate Social Responsibility

In line with the Chairman's vision, construction of two clusters of the modern Anganwadi project "Nandghar" was completed at Barmer. During the quarter, other developments included commencement of operations for the first set of plants under the safe drinking water project, partnerships with Government agencies at the Cairn Centre of Excellence (CCOE) and placement of trainees. The programmes received wide visibility amongst the stakeholders. Cairn established a safe drinking water plant in Sewniwala, one of the largest community drinking water plant in India run by solar power. Over 70 operators were appointed from the local community creating employment and encouraging entrepreneurship; they also included women operators. CCOE has been recognized as the first vocational training centre in Rajasthan to get a 'Gold' Green Building certification. Following the earlier prestigious CII-ITC Sustainability Award under Corporate Social Responsibility Domain Excellence, Cairn India also received the BT-CSR Excellence award in this quarter.

FY17 Outlook

Pursuing its goal to create a long term value, Cairn India will remain focused on monetizing its Rajasthan resource base in FY17. An estimated net capex spend of US$ 100 million is proposed, 20% of which is for exploration while balance will be invested primarily to develop RDG Gas and for completion activities of Mangala EOR completion. The aim will be to maintain production from Rajasthan asset at FY16 level.Efforts are underway to further improve the economics of key projects that includes Bhagyam & Aishwariya EOR, Barmer Hill and Satellite fields, at low oil price and invest in their pre-development activities to ensure project readiness for development with grant of extension of PSC. The company maintains its flexibility to raise capital investment as oil prices improve and aims to generate a healthy cash flow post capex so as to retain the ability to pay dividends.

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Annexure-1

Cairn India Group

Adoption of Ind AS (effective 1 April 2016)

1. Background

On 16 February 2015, the Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Rules, 2015 laying down the roadmap for application of IFRS converged standards (Ind AS) to Indian companies other than banking companies, insurance companies and non-banking finance companies (NBFCs). The Government has also notified Ind AS standards (known as Indian Accounting Standards) for application by these companies.

- **Voluntary Phase:** Early adoption of Ind AS was permitted from financial year beginning on or after 1 April 2015.

- **Mandatory Phase 1:** Application of Ind AS is mandatory from the financial year beginning on or after 1 April 2016, for the following companies:
  - Listed or non-listed companies with net worth of INR 500 crores (INR5 billion) or more
  - Holding, subsidiaries, joint ventures or associates companies of these companies

Since Cairn India Limited's ('CIL' or 'Cairn') net worth is above this threshold, CIL is required to prepare its financial statements under Ind AS from 1 April 2016 onwards.

2. Process followed to adopt Ind AS

First time adoption of Ind AS involves the following:
- Recognise all assets and liabilities whose recognition is required by Ind-AS;
- De - recognise items as assets or liabilities if Ind-AS do not permit such recognition;
- Re-classify items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind-AS; and
- Apply Ind-AS in measuring all recognised assets and liabilities.

Cairn has been publishing its financial statements prepared under Indian GAAP (IGAAP) and also preparing IFRS financials for group reporting purposes. As per Ind AS 101, Ind AS has to apply retrospectively subject to the exemptions specified. Accordingly, the group (CIL including its subsidiaries and joint ventures) has availed the following four exemptions:

- In the Standalone financial statements (SFS) and Consolidated financial statements (CFS), share based accounting has been applied for all outstanding and unvested employee stock options from 1st April 2015.

- In the SFS and CFS for accounting Ind AS 103 on business combination the date of incorporation of CIL, which is 21st August 2006, has been considered as the date of application for the purpose of transition to Ind AS.

- In the SFS, the opening foreign currency translation reserves (FCTR) have been computed retrospectively for Cairn India Ltd. However, in the CFS, exemption has been availed wherein the foreign currency translation reserve has been computed prospectively from the transition date.

- In the SFS, CIL's investments in subsidiaries and joint ventures have been measured as per IGAAP carrying amount to the date of transition i.e. 1st April 2015.

3. **Key impact areas identified;**

- **Exploration and evaluation assets:** IGAAP required charging of the exploration expenditure which cannot be directly attributable to individual well in the period in which it is incurred as per successful efforts method of accounting. Accordingly, costs like seismic activities, interpretation of seismic, planning and general overheads were being expensed as and when incurred. Under Ind-AS the Company has changed its accounting policy to capitalize such costs initially. This will lower routine exploration cost in profit and loss account and increase in carrying value of exploration and evaluation assets in the opening balance sheet.

(Amount INR Crores)

Impact as compared to IGAAP	Standalone financial statements (SFS)	Consolidated financial statements (CFS)
Profit / (loss) for the period ended 30 June 2015 – In Income Statement	42	77
Profit / (loss) for the year ended 31 March 2016 – In Income Statement	127	231

- **Discounting of Site restoration / De-commissioning liability:** Under the IGAAP, the company recognised the full cost of site restoration as a liability when the obligation to restore environmental damage arises. The site restoration expenses form part of the exploration & development work in progress or cost of producing properties, as the case may be, of the related asset. Under Ind AS, the decommissioning costs are recognised on discounted basis, as an asset, and the unwinding of discount is recognised as finance cost in the income statement.

(Amount INR Crores)

Impact as compared to IGAAP	Standalone financial statements (SFS)	Consolidated financial statements (CFS)
Profit / (loss) for the period ended 30 June 2015 – In income Statement	(7)	(11)
Profit / (loss) for the year ended 31 March 2016 – In Income Statement	(29)	(49)

- **Depreciation:** For depletion accounting, IGAAP specified use of working interest on proved and developed reserves (or 1P reserves) with current asset base, for calculation of depletion under unit of production methodology. However, under Ind AS (based on international practices) proved and probable reserves (or 2P reserves) on entitlement interest basis are required to be depleted. Similarly, the future capex estimated to develop those undeveloped reserves is required to be added to the current asset base for depletion computation.

(Amount INR Crores)

Impact as compared to IGAAP	Standalone financial statements (SFS)	Consolidated financial statements (CFS)
Profit / (loss) for the period ended 30 June 2015 – In Income Statement	4	10
Profit / (loss) for the year ended 31 March 2016 – In Income Statement	(223)	(416)

- **Business combination of entities under common control:** At the time of incorporation of CIL and subsequent to the Cairn's group internal reorganization the shortfall in net assets was recorded as goodwill on consolidation under the IGAAP. However, under Ind AS 103 common control re-organisation needs to be recorded using pooling of interest method. The difference between consideration paid and the net asset transferred has been recorded as reduction to equity in the consolidated financial statement of the CIL.

(Amount INR Crores)

Impact as compared to IGAAP	Standalone financial statements (SFS)	Consolidated financial statements (CFS)
Reserves as at 31 March 2015	Nil	(15,152)
Profit / (loss) for the year ended 31 March 2015	Nil	Nil

- **Functional Currency**: Under IGAAP there was no concept of functional currency and therefore the books of accounts were prepared in Indian Rupee. However, Ind AS 21 requires the assessment of functional currency basis the conditions specified therein. The Production Sharing Contract (PSC) specifies that 'the accounts shall be maintained in US Dollars, which shall be the controlling currency of account for cost recovery, production sharing and participation purposes and for the computation of tax liability", even our revenues are based on US Dollar and most of our joint venture's direct operating spend is denominated in US Dollars. Accordingly, the Group has considered US Dollar as the functional currency for our JV operations and for all of our overseas subsidiaries. For our Indian treasury and corporate operations, which is mostly denominated in Indian Rupee, the group has considered Indian rupee as the functional currency.

  Under IGAAP, the currency fluctuation on dollar denominated transactions for our JV operations and overseas subsidiaries dollar assets was accounted for in the profit and loss account. The same will get nullified under Ind AS as US Dollar being the functional currency. However, under Ind AS the impact of currency fluctuation for INR denominated transactions for the same entities will be accounted for in the profit and loss account.

  Further, the group reporting currency remains to be Indian Rupee, the impact on account of translation of items for which functional currency is USD would be accounted for in "Other Comprehensive Income (OCI)" as part of Foreign Exchange Translation Reserve (FCTR).

(Amount INR Crores)

Impact as compared to IGAAP	Standalone financial statements (SFS)	Consolidated financial statements (CFS)
Profit / (loss) for the period ended 30 June 2015 – In OCI	143	566
Profit / (loss) for the year ended 31 March 2016 – In OCI	470	1,804

- **Fair valuation of investments:** Under IGAAP, current investments are measured at lower of cost or market value and accordingly the unrealised increase in the value is not recognised in Income statement, only the unrealised diminution in the value is recognised. Under Ind AS the current investments are categorised as financial assets, and are designated as financial assets held at fair value through OCI for debt securities and fair value through profit and loss for other investments.

(Amount INR Crores)

Impact	Standalone financial statements (SFS)	Consolidated financial statements (CFS)
Profit / (loss) for the period ended 30 June 2015 – In OCI	(8)	20
Profit / (loss) for the period ended 30 June 2015 –In Income statement	53	12
Profit / (loss) for the year ended 31 March 2016 – In OCI	2	(171)
Profit / (loss) for the year ended 31 March 2016 – In Income Statement	296	437

- **Employee benefits:** Ind AS 19 Employee Benefits requires the impact of re-measurement in net defined benefit liability (asset) to be recognized in other comprehensive income (OCI). Re-measurement of net defined benefit liability (asset) comprises actuarial gains or losses, return on plan assets (excluding interest on net asset/liability). However, under Indian GAAP the re-measurement amount is recognised under profit and loss.

(Amount INR Crores)

Impact as compared to IGAAP	Standalone financial statements (SFS)	Consolidated financial statements (CFS)
Profit / (loss) for the period ended 30 June 2015 – OCI	(3)	(3)
Profit / (loss) for the year ended 31 March 2016 – In OCI	(1)	(1)

4. Financials statements prepared under Ind AS

- **Annexure I** - Comparison between Profit and Loss account under IGAAP and Ind AS for the financial year ended 31 March 2016
- **Annexure II –** Profit / (loss) reconciliation from IGAAP to Ind AS for the quarters ended 30 June 2015, 30 September 2015, 31 December 2015, 31 March 2016 and year ended 31 March 2016
- **Annexure III** - Equity Reconciliation (Standalone and consolidated) between IGAAP and Ind AS at 31 March 2015 and 31 March 2016
- **Annexure IV** – Consolidated Balance Sheet under Ind AS at 1 April 2015 and 31 March 2016
- **Annexure V –**Profit & Loss account under Ind AS for the quarters ended 30 June 2015, 30 September 2015, 31 December 2015, 31 March 2016 and year ended 31 March 2016.

The financial information in the Annexures below are not audited financials and are being provided only to facilitate early dissemination of comparative historical data.

Annexure I – Comparison between Profit and Loss account under IGAAP and Ind AS for the financial year ended 31 March 2016

(INR Crore)

Particulars	IGAAP	Ind AS
Revenues	8,626	8,626
Profit before Taxes & exceptional item	2,239	1,470
Taxes	(94)	(411)
Profit after Taxes excl exceptional item	2,145	1,059
Exception item (net of tax)	(11,577)	(755)
(Loss) / Profit after Tax	**(9,432)**	**304**

Annexure II A– Consolidated Profit / (loss) reconciliation from IGAAP to Ind AS for the quarters ended 30 June 2015, 30 September 2015, 31 December 2015, 31 March 2016 and year ended 31 March 2016

(INR Crore)

	Quarter ended				Year ended
Particulars	**30 Jun 15**	**30 Sep 15**	**31 Dec 15**	**31 Mar 16**	**31 Mar 16**
Net Profit / (Loss) under Previous GAAP	**835**	**673**	**9**	**(10,948)**	**(9,432)**
Effect of change in depletion, depreciation and amortisation expense due to change in accounting policy	10	(37)	(119)	(269)	(416)
Effect of change in exploration cost written off due to change in accounting policy	77	59	68	27	231
Effect of measuring investments at fair value through profit and loss	12	297	251	(123)	437
Effect of unwinding of site restoration liability	(11)	(12)	(12)	(13)	(49)
Effect of change in foreign exchange fluctuation loss	(284)	(473)	(96)	(95)	(946)
Effect of change in Inventory due to change in depletion, depreciation and amortization	(18)	-	(24)	14	(28)
Effect of reversal of impairment charge due to differences in carrying value of underlying assets	-	-	-	10,647	10,647
Effect of actuarial gain on employee defined benefit funds recognised in other comprehensive income	3	3	(4)	(2)	1
Effect of deferred tax charge on above adjustments	(122)	(185)	(33)	198	(142)
Net Profit as per Ind AS	**502**	**326**	**41**	**(564)**	**304**
Other Comprehensive Income (including foreign currency translation reserves)	584	854	136	58	1,633
Net Comprehensive Income for the period	**1,086**	**1,180**	**177**	**(506)**	**1,937**

Consolidated Profit and Loss reconciliation for FY 2016

Cairn India Limited

Statement of Consolidated Profit and Loss for the period ended 31 March 2016

(in Rs. Crore)

	IGAAP	Ind AS 109 Financial Instruments	IAS 19 Retirement benefits	Ind AS 16 Property, plant and equipment	Ind AS 106 Exploration for and evaluation mineral resources	Ind AS 37 Provisions, contingent liabilities and contingent assets	Ind AS 21 The effects of changes in foreign exchange rates	Ind AS 12 Income Taxes	Ind AS 103 Business combination	Total Adjustment	Ind AS
Explaination of above stated standards		Unrealised gain on Investments	Acturial gains/ losses transferred to OCI	Depletion policy difference	Exploration write off policy difference	Discounting of decommisioning liability	Exchange rate	Deferred tax	Common control transaction, thus no goodwill w/o		
Revenue											
Revenue From Operations	8,626	-	-	-	-	-	-	-	-	-	8,626
Other Income	2,008	437	-	-	-	-	(714)	-	-	(278)	1,731
Total Income	**10,634**	**437**	-	-	-	-	**(714)**	-	-	**(278)**	**10,356**
Expenses											
Cess on crude oil	2,605	-	-	-	-	-	-	-	-	-	2,605
Share of Expenses From Producing Oil And Gas Blocks	2,093	-	-	-	-	-	-	-	-	-	2,093
Changes in inventories of finished goods	(49)	-	-	28	-	-	-	-	-	28	(21)
Employee benefits expense	99	-	(1)	-	-	-	-	-	-	(1)	98
Finance costs	27	-	-	-	-	49	(5)	-	-	44	71
Depletion, Depreciation and amortisation expense	3,107	-	-	416	-	-	-	-	-	416	3,523
Exploration costs written off	260	-	-	-	(231)	-	-	-	-	(231)	29
Other expenses	252	-	-	-	-	-	237	-	-	237	488
	8,395	-	**(1)**	**443**	**(231)**	**49**	**232**	-	-	**492**	**8,887**
Profit before exceptional items	**2,239**	**437**	**1**	**(443)**	**231**	**(49)**	**(946)**	-	-	**(770)**	**1,470**
Exceptional Items	11,674	-	-	-	742	-	-	-	(11,390)	(10,647)	1,026
Profit/(Loss) before tax	**(9,435)**	**437**	**1**	**(443)**	**(512)**	**(49)**	**(946)**	-	**11,390**	**9,878**	**443**
Tax Expense	(3)	-	-	-	-	-	-	142	-	142	139
Profit/(Loss) for the year	**(9,432)**	**437**	**1**	**(443)**	**(512)**	**(49)**	**(946)**	**(142)**	**11,390**	**9,736**	**304**
Other Comprehensive Income											
Other comprehensive income to be reclassified to profit or loss in subsequent periods:											
Exchange differences on translation of foreign operations	-	-	-	-	-	-	1,804	-	-	1,804	1,804
Net (loss)/gain on financial instruments	-	(171)	-	-	-	-	-	-	-	(171)	(171)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:											
Re-measurement gains/(losses) on defined benefit plans	-	-	(1)	-	-	-	-	-	-	(1)	(1)
Income tax effect	-	-	0	-	-	-	-	-	-	0	0
Other comprehensive income for the year, net of tax	-	**(171)**	**(1)**	-	-	-	**1,804**	-	-	**1,633**	**1,633**
Total comprehensive income for the year, net of tax	**(9,432)**	**266**	**0**	**(443)**	**(512)**	**(49)**	**858**	**(142)**	**11,390**	**11,369**	**1,937**

Annexure II B– Standalone Profit reconciliation from IGAAP to Ind AS for the quarters ended 30 June 2015, 30 September 2015, 31 December 2015, 31 March 2016 and year ended 31 March 2016

(INR Crore)

	Quarter ended				Year ended
Particulars	**30 Jun 15**	**30 Sep 15**	**31 Dec 15**	**31 Mar 16**	**31 Mar 16**
Net Profit / (Loss) under Previous GAAP	**322**	**194**	**(10)**	**347**	**854**
Effect of change in depletion, depreciation and amortisation expense due to change in accounting policy	4	(8)	(63)	(156)	(223)
Effect of change in exploration cost written off due to change in accounting policy	42	34	37	14	127
Effect of measuring investments at fair value through profit and loss	53	183	171	(111)	296
Effect of unwinding of site restoration liability	(7)	(7)	(7)	(8)	(29)
Effect of change in foreign exchange fluctuation loss	(20)	(49)	(14)	(32)	(118)
Effect of change in Inventory due to change in depletion, depreciation and amortization	(10)	(1)	(12)	8	(15)
Effect of reversal of impairment charge due to differences in carrying value of underlying assets	-	-	-	(503)	(503)
Effect of actuarial gain on employee defined benefit funds recognised in other comprehensive income	3	3	(4)	(2)	1
Effect of deferred tax charge on above adjustments	(25)	(85)	9	196	95
Net Profit as per Ind AS	**362**	**264**	**107**	**(246)**	**486**
Other Comprehensive Income (including foreign currency translation reserves)	133	274	35	30	472
Net Comprehensive Income for the period	**495**	**538**	**142**	**(216)**	**958**

Annexure IIIA – Consolidated Equity Reconciliation

(INR Crore)

Particulars	Year ended 31 March 2015	Year ended 31 March 2016
Shareholders' equity under Previous GAAP	**58,870**	**48,793**
Effect of measuring investments at fair value through profit and loss	1,570	2,012
Effect of dividend adjustments	900	677
Effect of change in Inventory due to change in depletion, depreciation and amortisation	28	11
Effect of discounting of site restoration liability	310	341
Effect of change in depletion, depreciation and amortisation expense due to change in accounting policy	886	633
Effect of goodwill adjustment	(15,152)	(3,763)
Effect of change in foreign exchange fluctuation gain	18	22
Effect of deferred tax (charge) on above adjustments	(261)	(488)
Shareholders' equity under Ind AS	**47,170**	**48,238**

Annexure IIIB – Standalone Equity Reconciliation

(INR Crore)

Particulars	Year ended 31 March 2015	Year ended 31 March 2016
Shareholders' equity under Previous GAAP	**37,051**	**37,259**
Effect of measuring investments at fair value through profit and loss	1,323	1,622
Effect of dividend adjustments	900	677
Effect of change in Inventory due to change in depletion, depreciation and amortisation	15	5
Effect of discounting of site restoration liability	162	178
Effect of change in depletion, depreciation and amortisation expense due to change in accounting policy	693	439
Effect of change in foreign exchange fluctuation gain	6	6
Effect of deferred tax (charge) on above adjustments	(236)	(182)
Shareholders' equity under Ind AS	**39,915**	**40,004**

Annexure IV – Consolidated Balance Sheet as at 1 April 2015

Cairn India Limited

Consolidated Balance Sheet as at 31 March 2015

(in Rs. Crore)

	IGAAP	Ind AS 16	Ind AS 106	Ind AS 1	Ind AS 103	Ind AS 21	Ind AS 12	Ind AS 37	Ind AS 109	Ind AS 111	Total Adjustment	Ind AS
		Property, plant and equipment	**Exploration for and evaluation mineral resources**	**Presentation of financial statements**	**Business combination**	**The effects of changes in foreign exchange rates**	**Income Taxes**	**Provisions, contingent liabilities and contingent assets**	**Financial Instruments**	**Joint Arrangements**		
Explaination of above stated standards		Depletion policy difference	Exploration write off policy difference	Proposed dividend	Common control transaction, thus no goodwill	Exchange rate	Deferred tax	Discounting of decommisioning liability	Unrealised gain on Investments	Grossing up of Joint venture liabilities		
ASSETS												
Non-current assets												
Property Plant and Equipment	14,388	519	1,071	-	-	-	-	-	-	-	1,590	15,977
Goodwill	15,152	-	-	-	(15,152)	-	-	-	-	-	(15,152)	-
Financial Assets												
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Loans	7,864	-	-	-	-	(6)	-	-	-	-	(6)	7,857
Other financial assets	960	-	-	-	-	(1)	-	-	-	-	(1)	959
Deferred tax assets (net)	6,716	-	-	-	-	-	(261)	-	-	-	(261)	6,455
Non current tax Assets (net)	151	-	-	-	-	-	-	-	-	-	-	151
Other non-current assets	975	(703)	-	-	-	5	-	-	-	-	(698)	277
	46,205	**(185)**	**1,071**	**-**	**(15,152)**	**(1)**	**(261)**	**-**	**-**	**-**	**(14,528)**	**31,676**
Current assets												
Inventories	344	28	-	-	-	20	-	-	-	-	48	392
Financial Assets												
Investments	15,233	-	-	-	-	-	-	-	1,570	-	1,570	16,804
Trade Receivables	1,125	-	-	-	-	(1)	-	-	-	-	(1)	1,124
Cash and cash equivalents	229	-	-	-	-	(0)	-	-	-	-	(0)	228
Other bank balances	623	-	-	-	-	(0)	-	-	-	-	(0)	623
Loans	10	-	-	-	-	-	-	-	-	-	-	10
Other financial assets	1,425	-	-	-	-	(9)	-	-	-	1,947	1,937	3,363
Current Tax Assets (Net)	228	-	-	-	-	(0)	-	-	-	-	(0)	228
Other current assets	141	-	-	-	-	5	-	-	-	-	5	146
	19,358	**28**	**-**	**-**	**-**	**14**	**-**	**-**	**1,570**	**1,947**	**3,559**	**22,917**
Total assets	**65,562**	**(156)**	**1,071**	**-**	**(15,152)**	**13**	**(261)**	**-**	**1,570**	**1,947**	**(10,969)**	**54,593**
LIABILITIES												
Non-current liabilities												
Provisions	1,618	-	-	-	-	-	-	(310)	-	-	(310)	1,308
Current liabilities												
Financial Liabilities												
Trade Payables	919	-	-	-	-	0	-	-	-	-	0	920
Other financial liabilities	2,878	-	-	-	-	(8)	-	-	-	1,947	1,939	4,817
Other current liabilities	221	-	-	-	-	2	-	-	-	-	2	223
Provisions	936	-	-	(900)	-	-	-	-	-	-	(900)	36
Current tax liabilities (net)	120	-	-	-	-	-	-	-	-	-	-	120
	5,074	**-**	**-**	**(900)**	**-**	**(5)**	**-**	**-**	**-**	**1,947**	**1,041**	**6,115**
Total liabilities	**6,692**	**-**	**-**	**(900)**	**-**	**(5)**	**-**	**(310)**	**-**	**1,947**	**731**	**7,424**
Net Assets	**58,870**	**(156)**	**1,071**	**900**	**(15,152)**	**18**	**(261)**	**310**	**1,570**	**-**	**(11,701)**	**47,170**

Consolidated Balance Sheet as at 31 March 2016

Cairn India Limited

Consolidated Balance Sheet as at 31 March 2016

(in Rs. Crore)

	IGAAP	Ind AS 16	Ind AS 106	Ind AS 1	Ind AS 103	Ind AS 21	Ind AS 12	Ind AS 37	Ind AS 109	Ind AS 111	Total Adjustment	Ind AS
		Property, plant and equipment	Exploration for and evaluation mineral resources	Presentation of financial statements	Business combination	The effects of changes in foreign exchange rates	Income Taxes	Provisions, contingent liabilities and contingent assets	Financial Instruments	Joint Arrangements		
Explaination of above stated standards		Depletion policy difference	Exploration write off policy difference	Proposed dividend	Common control transaction, thus no goodwill	Exchange rate	Deferred tax	Discounting of decommisioning liability	Unrealised gain on Investments	Grossing up of Joint venture liabilities		
ASSETS												
Non-current assets												
Property Plant and Equipment	12,523	921	373	-	-	-	-	-	-	-	1,294	13,817
Goodwill	3,763	-	-	-	(3,763)	-	-	-	-	-	(3,763)	-
Financial Assets												
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Loans	30	-	-	-	-	-	-	-	-	-	-	30
Other financial assets	2,371	-	-	-	-	(1)	-	-	-	-	(1)	2,370
Deferred tax assets (net)	6,640	-	-	-	-	-	(488)	-	-	-	(488)	6,153
Non current tax Assets (net)	263	-	-	-	-	-	-	-	-	-	-	263
Other non-current assets	800	(661)	-	-	-	5	-	-	-	-	(657)	143
	26,389	**260**	**373**	**-**	**(3,763)**	**4**	**(488)**	**-**	**-**	**-**	**(3,614)**	**22,776**
Current assets												
Inventories	468	11	-	-	-	11	-	-	-	-	22	490
Financial Assets												
Investments	15,054	-	-	-	-	-	-	-	2,251	-	2,251	17,305
Trade Receivables	257	-	-	-	-	1	-	-	-	-	1	258
Cash and cash equivalents	1,477	-	-	-	-	(0)	-	-	-	-	(0)	1,477
Other bank balances	909	-	-	-	-	(0)	-	-	-	-	(0)	908
Loans	8,304	-	-	-	-	(2)	-	-	-	-	(2)	8,303
Other financial assets	2,180	-	-	-	-	14	-	-	(239)	892	666	2,846
Current Tax Assets (Net)	224	-	-	-	-	(0)	-	-	-	-	(0)	224
Other current assets	130	-	-	-	-	5	-	-	-	-	5	135
	29,004	**11**	**-**	**-**	**-**	**28**	**-**	**-**	**2,012**	**892**	**2,943**	**31,946**
Total assets	**55,393**	**270**	**373**	**-**	**(3,763)**	**32**	**(488)**	**-**	**2,012**	**892**	**(671)**	**54,722**
LIABILITIES												
Non-current liabilities												
Provisions	1,824	-	-	-	-	-	-	(341)	-	-	(341)	1,483
Current liabilities												
Financial Liabilities												
Trade Payables	1,038	-	-	-	-	1	-	-	-	-	1	1,040
Other financial liabilities	2,892	-	-	-	-	6	-	-	-	892	897	3,789
Other current liabilities	128	-	-	-	-	3	-	-	-	-	3	130
Provisions	718	-	-	(677)	-	-	-	-	-	-	(677)	41
	4,776	**-**	**-**	**(677)**	**-**	**9**	**-**	**-**	**-**	**892**	**224**	**5,000**
Total liabilities	**6,600**	**-**	**-**	**(677)**	**-**	**9**	**-**	**(341)**	**-**	**892**	**(117)**	**6,484**
Net Assets	**48,793**	**270**	**373**	**677**	**(3,763)**	**23**	**(488)**	**341**	**2,012**	**-**	**(555)**	**48,238**

Annexure V A – Consolidated Profit & Loss account under Ind AS for the quarters ended 30 June 2015, 30 September 2015, 31 December 2015, 31 March 2016 and year ended 31 March 2016

(INR Crore)

		Quarter ended				Year ended
Sr No	**Particulars**	**30 Jun 15**	**30 Sep 15**	**31 Dec 15**	**31 Mar 16**	**31 Mar 16**
1	**Income from operations**					
	a) Income from operations	2,627	2,242	2,039	1,717	8,626
	b) Other operating income	-	-	-	-	-
	Total income from operations (net)	**2,627**	**2,242**	**2,039**	**1,717**	**8,626**
2	**Expenses**					
	a) Share of expenses in producing oil and gas blocks	487	517	544	546	2,093
	b) (Increase)/decrease in inventories of finished goods	9	(22)	1	(9)	(21)
	c) Employee benefit expenses	29	28	36	6	98
	d) Depletion, depreciation and amortization expenses	866	902	1,012	742	3,523
	e) Cess on crude oil	691	678	684	552	2,605
	f) Exploration costs written off	6	9	5	10	29
	g) Other expenses	53	59	64	76	252
	Total expenses	**2,141**	**2,171**	**2,346**	**1,923**	**8,579**
3	**Profit from operations before other income, exchange fluctuation, finance costs, tax and exceptional items (1-2)**	**486**	**71**	**(307)**	**(206)**	**47**
4	a) Other income	394	418	393	527	1,731
	b) Foreign exchange fluctuation gain/(loss)-net	(102)	(94)	(46)	6	(237)
5	**Profit before finance costs, tax and exceptional items (3+4)**	**778**	**395**	**40**	**327**	**1,541**
6	Finance costs	13	16	16	26	71
7	**Profit before tax and exceptional items (5-6)**	**765**	**379**	**24**	**301**	**1,470**
8	Exceptional items	-	-	-	1,026	1,026
9	**Profit before tax (7-8)**	**765**	**379**	**24**	**(725)**	**444**
10	Tax expense	263	54	(16)	(161)	139
11	**Net Profit for the period (9-10)**	**502**	**326**	**41**	**(564)**	**304**
12	Other comprehensive income	584	854	136	58	1,633
13	**Total comprehensive income for the period (11+12)**	**1,086**	**1,180**	**177**	**(506)**	**1,937**

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Annexure V B – Standalone Profit & Loss account under Ind AS for the quarters ended 30 June 2015, 30 September 2015, 31 December 2015, 31 March 2016 and year ended 31 March 2016

(INR Crore)

		Quarter ended				Year ended
Sr No	**Particulars**	**30 Jun 15**	**30 Sep 15**	**31 Dec 15**	**31 Mar 16**	**31 Mar 16**
1	**Income from operations**					
	a) Income from operations	1,403	1,199	1,125	923	4,649
	b) Other operating income	-	-	-	-	-
	Total income from operations (net)	**1,403**	**1,199**	**1,125**	**923**	**4,649**
2	**Expenses**					
	a) Share of expenses in producing oil and gas blocks	262	279	287	299	1,128
	b) (Increase)/decrease in inventories of finished goods	8	(10)	3	(7)	(6)
	c) Employee benefit expenses	28	27	35	6	96
	d) Depletion, depreciation and amortization expenses	448	460	524	380	1,813
	e) Cess on crude oil	349	342	344	278	1,313
	f) Exploration costs written off	1	5	1	5	13
	g) Other expenses	51	53	41	71	216
	Total expenses	**1,147**	**1,156**	**1,235**	**1,032**	**4,573**
3	**Profit from operations before other income, exchange fluctuation, finance costs, tax and exceptional items (1-2)**	**256**	**43**	**(110)**	**(109)**	**76**
4	a) Other income	275	291	255	387	1,209
	b) Foreign exchange fluctuation gain/(loss)-net	(25)	(7)	(8)	14	(25)
5	**Profit before finance costs, tax and exceptional items (3+4)**	**506**	**327**	**137**	**292**	**1,260**
6	Finance costs	8	10	10	20	47
7	**Profit before tax and exceptional items (5-6)**	**498**	**317**	**127**	**272**	**1,213**
8	Exceptional items	-	-	-	783	783
9	**Profit before tax (7-8)**	**498**	**317**	**127**	**(511)**	**430**
10	Tax expense	136	53	20	(264)	(55)
11	**Net Profit for the period (9-10)**	**362**	**264**	**107**	**(246)**	**486**
12	Other comprehensive income	133	274	35	30	472
13	**Total comprehensive income for the period (11+12)**	**495**	**538**	**142**	**(216)**	**958**

For further details on the Reconciliation of the financial statements from IGAAP to IndAS, please refer to the website www.cairnindia.com

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 a subsidiary of Vedanta Limited; part of the Vedanta Group, a globally diversified natural resources group.

Cairn India is headquartered in Gurgaon in the National Capital Region. The Company has operational offices in India including Andhra Pradesh, Gujarat, Rajasthan, Tamil Nadu and International offices in Colombo and Houston.

Cairn India is one of the largest independent oil and gas exploration and production companies in India. Together with its JV partners, Cairn India accounted for ~27% of India's domestic crude oil production for FY16. Average gross operated production was 203,703 boepd for FY16. The Company sells its oil and gas to major PSU and private buyers in India.

The Company has a world-class resource base, with interest in seven blocks in India and one in South Africa. Cairn India's resource base is located in four strategically focused areas namely one block in Rajasthan, two on the west coast of India, four on the east coast of India and one in South Africa.

The blocks are located in the Barmer Basin, Krishna-Godavari Basin, the Palar-Pennar Basin, the Cambay Basin, the Mumbai Offshore Basin and Orange Basin.

Cairn India's focus on India has resulted in a significant number of oil and gas discoveries. Cairn India made a major oil discovery (Mangala) in Rajasthan in the north west of India at the beginning of 2004. To date, thirty eight 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 comprising of three development areas. The main Development Area (DA-1; 1,859 km2), which includes discoveries namely Mangala, Aishwariya, Raageshwari and Saraswati is shared between Cairn India and ONGC. Further Development Areas (DA-2; 430 km2), including the Bhagyam, NI and NE fields and (DA-3; 822 km2) comprising of the Kaameshwari West Development Area, is shared between Cairn India and ONGC, with Cairn India holding 70% and ONGC having exercised their back in right for 30%.

In Andhra Pradesh and Gujarat, Cairn India on behalf of its JV partners operates two processing plants, with a production of over 34,000 boepd for FY16.

The farm-in agreement was signed with PetroSA on 16th August, 2012 in the 'Block-1' located in Orange basin, South Africa. The block covers an area of 19,898 sq km. The assignment of 60% interest and operatorship has been granted by the South African regulatory authorities.

For further information on Cairn India Limited, kindly visit www.cairnindia.com

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Corporate Glossary	
Cairn India	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
Cash EPS	PAT adjusted for DD&A, impact of forex fluctuation, MAT credit and deferred tax
CFO	Cash Flow from Operations includes PAT (excluding other income and exceptional item) prior to non-cash expenses and exploration costs.
CPT	Central Processing Terminal
CY	Calendar Year
DoC	Declaration of Commerciality
E&P	Exploration and Production
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation includes forex gain/loss earned as part of operations
EPS	Earnings Per Share
FY	Financial Year
GBA	Gas Balancing Agreement
GoI	Government of India
GoR	Government of Rajasthan
Group	The Company and its subsidiaries
JV	Joint Venture
MC	Management Committee
MoPNG	Ministry of Petroleum and Natural Gas
NELP	New Exploration Licensing Policy
Normalized net profit	Net profit before exceptional items
NRM	National Rural Mission
ONGC	Oil and Natural Gas Corporation Limited
OC	Operating Committee
PPAC	Petroleum Planning & Analysis Cell
qoq	Quarter on Quarter
Vedanta Group	Vedanta Resources plc and/or its subsidiaries from time to time
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
Blpd	Barrel(s) of (polymerized) liquid per day
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
Tcf	Trillion standard cubic feet of gas
EOR	Enhanced Oil Recovery
FDP	Field Development Plan
LTI	Lost Time Incident
MDT	Modular Dynamic Tester
Mmboe	million barrels of oil equivalent
Mmscfd	million standard cubic feet of gas per day
Mmt	Million Metric Tonne
PSU	Public Sector Utilities
SPM	Single Point Mooring
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
MBARS	Mangala, Bhagyam, Aishwariya, Raageshwari, Saraswati
Thumbli	Youngest reservoirs encountered in the basin. The Thumbli is the primary reservoir for the Raageshwari field

Disclaimer

This material contains forward-looking statements regarding Cairn India and its affiliates, 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

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