

Cummins India Limited Sales for Q3 2010-11 up 16% Net Profit Before Tax declines 11%, declares interim dividend of 350%

Mumbai, Feb 3, 2011: The Board of Directors of Cummins India Limited, in their meeting held today, took on record the un-audited financial results for the quarter ended December 31, 2010.

Net sales of the Company for the quarter ended December 31, 2010 stood at Rs. 958.3 crores, an increase of 16% over the same period last year. Net profit before tax at Rs. 180.5 crores was 11% lower as compared to the same period last year.

Net sales of the Company for the nine months ended December 31, 2010 were Rs. 2,935.9 crores, an increase of 42% over the corresponding period last year. Net profit before tax stood at Rs.606.0 crores, representing a 36% increase over the same period last year. In view of the strong growth in sales and profits during the fiscal year, the Board has decided to declare an enhanced interim dividend of 350 percent, i.e. Rs. 7 per share as against the 300% interim paid last year.

Anant J. Talaulicar, Chairman & Managing Director, Cummins India Limited said, "The Company has demonstrated strong revenue growth over the same quarter last year. However, while profits were healthy, they did decline as compared to the same period a year ago. The comparison is somewhat skewed since Q3 2009 was exceptional in that we had come off an extended strike, and caught up on shipments that were held up in the prior quarter. The same quarter a year ago was also therefore positively impacted by favorable high horsepower product mix as well as lower manufacturing overheads. Further, input costs, particularly commodity, have increased over the last year, although we were successful in partially offsetting these cost escalations and continuing to demonstrate profitable growth by executing our cost reduction and Six Sigma program.

He further stated "The inauguration of the 300 acre Cummins Megasite in Phaltan and with it three new manufacturing plants as a first phase, position us strongly towards long-term profitable growth. The expansions cater to the increasing market demands, ensuring that we continue to serve our customers well. We remain steadfast about sustaining our market leadership based on our technology, quality, customer service and people, and above all on staying committed to our Brand Promise of Dependability."

About Cummins India Limited

Cummins India Limited, headquartered in Pune since 1962, is the country's leading manufacturer of diesel and natural gas engines for power generation, industrial and automotive markets.

About Cummins in India

Cummins in India, a power leader, is a group of complementary business units that design, manufacture, distribute and service engines and related technologies. Its technology and pioneering initiatives are bringing innovative solutions and reliable services at the best possible value to users across the country. Its high performance outlook is based on customer focus, integrity and capability of its people. Part of the US \$10.8 billion Cummins Inc., Cummins in India is a Group of nine legal entities across 200 locations in the country with a combined turnover of over Rs. 8,000 crores and employing more than 11,000 individuals.

Website: <http://www.cumminsindia.com>

Nikhil Khatri	Shamli Chapalge
Genesis Burson-Marsteller	Branding & Communications
Tel: 91 20 6520 3894	Cummins India Limited
Mobile: 919881489689	Mobile: 91 9922949602

Fax: 91 20 2433 0881

E-mail: nikhil.khatri@bm.com

E-mail:

shamli.n.chapalge@cummins.com