



PRESS RELEASE

Cummins India Limited Q3 Sales up 24%

Net Profit increases by 17 %. Declares interim dividend of 100%

January 30, 2008: The Board of Directors of Cummins India Limited in a meeting held today, took on record the unaudited financial results for the quarter ended December 31, 2007.

Net sales for the quarter ending December 31, 2007 were reported at Rs. 5,902 million, an increase of 24% over sales of Rs. 4,770 million for the same period last year. Net profit before tax in the quarter rose by 17% to Rs. 1,050 million compared to Rs 899 million, in the same period last year.

At this meeting, the Board of Directors have in principle, approved the merger of the subsidiaries, Cummins Sales and Service (India) Limited and Cummins Auto Services Limited into the Company subject to regulatory approvals and legal compliances. This is intended to improve synergies between sales, service, engineering and manufacturing operations as well as to simplify administrative and legal compliances.

Anant Talaulicar, Chairman, Cummins India Limited said, "While we continued to grow sales above targeted levels, we were not able to grow profits at that pace due to a combination of the strengthening rupee, commodity inflation and adverse product mix. However, we have taken major steps to sustain our profitable growth recently. Earlier this month, we performed the ground breaking ceremony of our 150 acre mega site at Phaltan, near Pune. All of the Cummins affiliated companies in India will be setting up their future manufacturing capacities on this campus. This approach and investment will offer significant synergy to the Cummins group companies in India. We also inaugurated two manufacturing facilities in January. One facility to produce power generators at 160 kVA and below at Pirangut near Pune, and a second facility to produce alternators by Cummins Generator Technologies in Ranjangaon. In addition, Cummins Turbo Technologies performed the ground breaking ceremony of a new turbocharger plant at Pithampur, Madhya Pradesh last month. We remain optimistic about the future outlook and this is reflected in the declaration of the 100 % interim dividend for the current financial year 2007-08."

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.

Cummins India Limited is the flagship company of Cummins in India.

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 U.S. \$11.4 billion Cummins Inc., Cummins in India is a group of 11 legal entities across more than 200 locations in the country with a combined turnover of approximately Rs.4,500 crores and employing more than 7500 individuals.

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

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