

PRESS RELEASE

Total Sales at Cummins India Limited for the quarter up 31%, Profits before tax up 55%. Declares 100% interim dividend.

Mumbai: January 31, 2006:

The Board of Directors of Cummins India Limited in a meeting held today took on record the un-audited financial results for the quarter ended December 31, 2005. The company announced a 31% increase in net sales to Rs 3,898 million for the quarter ended December 31, 2005, as compared with Rs. 2,968 million in the same period last year.

The profit before tax during the quarter rose 55% to Rs. 696 million from Rs. 450 million the same period last year.

Based on the current performance of the Company and the plans for the year, the Board of Directors has recommended an interim dividend of 100% of the share capital.

The Company successfully launched and commenced supplies of its 8.3 Litre C series diesel engines to the 300 hp truck application during the quarter. Anant Talaulicar, Chairman, CIL, said, "Based on strong performance in the domestic and export markets, as well as the savings emanating from cost reduction programs launched at the beginning of the year, the Company has successfully improved it's top and bottom line operating results."

Cummins India Limited

Cummins India Limited, in Pune since 1962, is the country's leading manufacturer of diesel and gas engines for power generation, industrial and automotive markets. CIL has produced more than 167,000 engines to date in its state-of-the-art manufacturing facilities in Pune. The company manufactures on an average, nearly 20,000 engines and gensets per year. Cummins India Limited is the flagship company of the Cummins group in India.

Cummins in India

Cummins in India, a power leader, is a corporation 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\$ 8.4 billion Cummins Inc, Cummins in India is a group of 10 entities across 200 locations in the country with a combined turnover of over Rs.2,500 crore and employing more than 5,000 individuals.

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