

Cummins India Limited

Registered Office: Kothrud, Pune 411 038 (INDIA)

NOTICE OF THE MEETING

To

The Members of Cummins India Limited

NOTICE is hereby given that the Fifty First Annual General Meeting of Cummins India Limited will be held at Hotel Le Meridien, Majestic Hall, 1st Floor, Raja Bahadur Mill Road, Pune 411 001 on Thursday, the 2nd day of August, 2012, at 12.00 noon, to transact the following business :

1. To receive and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2012 and the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To declare final dividend on equity shares and to ratify the interim dividend declared by the Board of Directors.
3. To appoint a Director in place of Mr. P. S. Dasgupta, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Nasser Munjee, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Patrick Ward, who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS :

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED that pursuant to Article 114 of the Articles of Association of the Company and section 309 and all other applicable provisions of the Companies Act, 1956 (“Act”), consent of the Company be and is hereby accorded to the payment of sum, in addition to sitting fees, not exceeding one percent of the net profits of the Company, calculated in accordance with the provisions of sections 198, 349 and 350 of the Act, by way of remuneration in the form of commission to the Independent Directors, who are not in the whole-time employment of the Company.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorized to determine the amount, proportion and terms of such payment, in accordance with the provisions of the Act to be made out of profits of the Company for each of five financial years commencing from April 1, 2011.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution.”

By Order of the Board

Pune
May 15, 2012

Amit Atre
General Manager - Legal &
Company Secretary

NOTES :

- a. The information pursuant to Clause 49 of the Listing Agreement, in respect of item nos. 3 to 5 and the Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 (Act), in respect of Special Business at item no. 7 of the Notice set out above is annexed hereto.
- b. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- c. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, July 28, 2012 to Thursday, August 2, 2012 (both days inclusive). If the final equity dividend as recommended by the Board of Directors is declared at the ensuing Annual General Meeting of the Shareholders of the Company, payment of such dividend will be made to those Shareholders whose names appear on the Register of Members and records of the Depositories respectively, as at the end of business hours on July 27, 2012.
- d. Members requiring information on the audited Statement of Profit and Loss for the year ended March 31, 2012 and the Balance Sheet as at that date are requested to write to the Company at least seven days before the date of the meeting to enable the Company to furnish the information.
- e. The Company has appointed Link Intime India Private Limited, Mumbai as its Registrar and Transfer Agent. All correspondence relating to transfer and transmission of shares, sub-division of shares, issue of duplicate share certificates, change of address, dematerialisation of shares, payment of dividend etc. will be attended to and processed at the office of the Registrar and Transfer Agent at the following address :-

Link Intime India Private Limited
Unit: Cummins India Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai : 400 078
Phone No. : (022) 2594 6970
Fax No. : (022) 2594 6969
Contact person : Mr. N. Mahadevan Iyer
E-mail : mahadevan.iyer@linkintime.co.in / or rnt.helpdesk@linkintime.co.in

- f. Unclaimed dividends for the financial years 2004-05 and 2005-06 can be claimed from the Company by completing the requisite formalities. To claim final dividend for the financial year 2004-05 and interim dividend for the Financial year 2005-06, the requisite formalities are required to be completed prior to August 31, 2012 and March 3, 2013 respectively. Thereafter the unclaimed dividend for the said years is liable to be transferred to the Investor Education and Protection Fund established by the Central Government as per Section 205A of the Act. For details on unclaimed dividend(s), members are requested to write to Link Intime India Private Limited, Mumbai at the above address.
- g. The Company had on February 10, 1987, sub-divided each Equity Share of the face value of Rs. 100/- each into ten Equity Shares of the face value of Rs. 10/- each. Subsequently, on December 4, 2000, the Company sub-divided each Equity Share of the face value of Rs. 10/- each into five Equity Shares of the face value of Rs. 2/- each. The Company has sent a reminder to those Shareholders who have not yet claimed new certificates for sub-divided Shares of the face value of Rs. 2/- each. Shareholders who have not so far surrendered their old certificates in exchange for new certificates for sub-divided Shares of the face value of Rs. 2/- each, are requested to do so immediately.
- h. The Company on September 26, 2011, allotted Bonus shares in the ratio of 2:5. Shareholders holding shares in physical form who have not yet claimed the Bonus share certificates are requested to contact the Registrar and Transfer Agent of the Company immediately.
- i. The Company encourages members to intimate / update their e-mail addresses to receive the Annual Report and other communication electronically in support of the "Go Green" initiative of the Ministry of Corporate Affairs (MCA). Members may intimate/ update their e-mail address by sending a mail to cumminsgogreen@linkintime.co.in with their name and folio details. Members holding shares in demat may please update their e-mails with the respective depository participant. The Company will send all communication including the Annual Report via e-mail to the members who have provided their e-mail addresses to the Company/ Depositories. A copy of the Annual Report will be available on the Company's website www.cumminsindia.com. A printed copy of the report will be furnished free of cost upon receipt of a request for the same.

- j. The relevant documents as referred to in item no. 7 of the Notice and the Explanatory Statement attached hereto will be kept open for inspection by the Members at the Registered Office of the Company on any working day (Monday to Friday) between 10.00 a.m. to 12.00 noon.

ANNEXURE TO THE NOTICE

Information as per Clause 49 of the Listing Agreement with the Stock Exchanges -

Item 3

Re-appointment of Mr. P. S. Dasgupta

Mr. P. S. Dasgupta joined the Board of Cummins India Limited on February 26, 1998. Mr. Dasgupta is a B. A. (Hons.) and also has a post graduate degree in Law (LL.B.). His areas of expertise include mergers and acquisition, reorganization and restructuring, infrastructural project development financing, joint ventures, licensing and corporate laws.

Mr. Dasgupta is on the Boards of the following other companies, viz., (i) Otis Elevator Company (India) Limited (ii) Maral Overseas Limited (iii) Timken India Limited (iv) Bhilwara Technical Textiles Limited (v) Tricone Projects India Limited (vi) Asian Hotels (North) Limited (vii) Ester Industries Limited (viii) Interstar Financial Services Limited (ix) Bausch & Lomb Eyecare (India) Private Limited (x) Snap-on Tools Private Limited (xi) Holcim India Private Limited (xii) Dasgupta Consulting Private Limited (xiii) India International Consulting Private Limited (xiv) New Delhi Corporate Consultancy Services Private Limited and (xv) Afforce Business Consulting Private Limited. He is a member of the Finance and Audit Committee and Shareholders/ Investors Grievance Committee of the Board of Directors of Cummins India Limited. He is also a member of Committees of Board of Directors of the following companies :

- Finance and Audit Committee of (i) Timken India Limited (Chairman) (ii) Otis Elevator Company (India) Limited (iii) Maral Overseas Limited and (iv) Tricone Projects India Limited.
- Shareholders/ Investors Grievance Committee of (i) Bhilwara Technical Textiles Limited (Chairman) and (ii) Otis Elevator Company India Limited.
- Remuneration Committee of (i) Timken India Limited and (ii) Maral Overseas Limited.

Mr. P. S. Dasgupta does not hold any shares in the Company and is not related with any other Director of the Company.

Item 4

Re-appointment of Mr. Nasser Munjee

Mr. Nasser Munjee joined the Board of Cummins India Limited on March 29, 2001. Mr. Nasser Munjee is a monetary economist, educated at the University of Chicago and the London School of Economics (Bachelors and Masters Degrees). His areas of expertise include Housing Development and Infrastructure Finance.

Mr. Nasser Munjee is on the Boards of the following other companies, viz., (i) Development Credit Bank Limited (Chairman) (ii) Reid & Taylor (India) Limited (Chairman) (iii) Tata Motors Finance Limited (Chairman) (iv) ABB Limited (v) HDFC Limited (vi) Ambuja Cements Limited (vii) Shipping Corporation of India Limited (viii) Voltas Limited (ix) Tata Chemicals Limited (x) Tata Motors Limited (xi) Britannia Industries Limited (xii) HUDCO Limited (xiii) Unichem Laboratories Limited (xiv) Bharti AXA Life Insurance Company Limited (xv) Himalayan Ski Village Private Limited (xvi) GIBA Holdings Private Limited (xvii) First American Securities Private Limited (xviii) Aarusha Homes Private Limited (xix) EMSAF-Mauritius (xx) Tata Chemicals North America Inc., U.S.A. and (xxi) Jaguar Land Rover, U.K.

Mr. Munjee is the Chairman of the Finance and Audit Committee of the Board of Directors of Cummins India Limited. He is also a member of Committees of Board of Directors of the following companies :

- Audit Committee of (i) ABB Limited (Chairman) (ii) Tata Chemicals Limited (Chairman) (iii) Tata Motors Limited (Chairman) (iv) Bharti AXA Life Insurance Company Limited (v) Voltas Limited (vi) Unichem Laboratories Limited (vii) HUDCO Limited and (viii) Britannia Industries Limited.

- Remuneration Committee of (i) Tata Motors Finance Limited (Chairman) (ii) Voltas Limited (iii) Ambuja Cements Limited (iv) Bharti AXA Life Insurance Company Limited (v) Tata Chemicals Limited and (vi) Shipping Corporation of India Limited.

Mr. Nasser Munjee does not hold any shares in the Company and is not related with any other Director of the Company.

Item 5

Re-appointment of Mr. Patrick Ward

Mr. Patrick Ward is the Chief Financial Officer of Cummins Inc., U.S.A. Mr. Ward joined the Board of Cummins India Limited on December 3, 2009. Mr. Patrick Ward is an Associate Member of Chartered Institute of Management Accountants (U.K.) and an MBA from Strathclyde Business School, Scotland. He has extensive experience in Finance and Accounting. He is director of (i) Cummins Emission Solutions Inc. (ii) Cummins Filtration Inc. (iii) Cummins Filtration International Corp. (iv) Cummins Power Generation Foreign Holdings Limited and (v) Cummins Child Development Center Inc. He is a member of the Finance and Audit Committee of the Board of Directors of Cummins India Limited.

Mr. Patrick Ward does not hold any shares in the Company and is not related with any other Director of the Company.

Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 -

Item 7

Payment of commission to Independent Non-Whole-time Directors

The Shareholders at their Forty Fifth Annual General Meeting held on July 27, 2006, had approved payment of commission, in addition to sitting fees, to Non-Whole-time Directors not exceeding one percent of the net profits of the Company for a period of five financial years effective April 1, 2006.

For the Financial Year 2011-12 and thereafter it is proposed to pay, in addition to sitting fees, remuneration by way of commission to the Independent Directors who are not in the whole-time employment of the Company. Article 114 of the Articles of Association of the Company authorises the Company to make such payment by way of commission.

Section 309 (4) of the Companies Act, 1956, enables a company to pay remuneration by way of commission to the Directors who are not in the whole-time employment of the company, to the extent of one percent of the net profits of the Company calculated as per section 349 and 350 of the Companies Act, 1956 by passing a Special Resolution. This resolution authorizes payment of commission to the Independent Directors, who are not in the whole-time employment of the Company, for a period of five financial years commencing from April 1, 2011.

Except M/s. Rajeev Bakshi, P. S. Dasgupta, Nasser Munjee, B. H. Reporter and Venu Srinivasan, no other Director is concerned or interested in this resolution.

The Shareholders' approval is solicited for the resolution at item no. 7 of the accompanying Notice as a Special Resolution.

By Order of the Board

Pune
May 15, 2012

Amit Atre
General Manager - Legal &
Company Secretary