

**CUMMINS INDIA LIMITED**  
Registered Office: Kothrud, Pune 411 038.

**Financial results for the year ended March 31,2003**

	Nine months ended on December 31,2002 (Unaudited) (Rs ' 000)	Quarter ended on March 31,2003 (Unaudited) (Rs ' 000)	Quarter ended on March 31,2002 (Unaudited) (Rs ' 000)	Accounting Year ended on March 31,2003 ( Audited ) (Rs ' 000)	Previous Accounting Year ended on March 31,2002 ( Audited ) (Rs ' 000)	Consolidated Results	
						for the year ended on March 31,2003 ( Audited ) (Rs ' 000)	for the year ended on March 31,2002 ( Audited ) (Rs ' 000)
1. Sales							
a. Gross sales	6,216,142	2,182,805	2,115,781	8,398,947	7,451,783	10,582,936	10,187,061
b. Less : commission and discount	61,868	17,563	29,646	79,431	42,639	21,465	99,636
<b>1. Net sales</b>	<b>6,154,274</b>	<b>2,165,242</b>	<b>2,086,135</b>	<b>8,319,516</b>	<b>7,409,144</b>	<b>10,561,471</b>	<b>10,087,425</b>
2. Other income	300,537	156,392	142,602	456,929	363,986	395,348	432,105
<b>3. Total income (1+2)</b>	<b>6,454,811</b>	<b>2,321,634</b>	<b>2,228,737</b>	<b>8,776,445</b>	<b>7,773,130</b>	<b>10,956,818</b>	<b>10,519,530</b>
4. Total expenditure							
a. (Increase)/decrease in stock in trade	19,442	(28,713)	26,780	(9,271)	100,239	158,473	106,725
b. Consumption of raw material and components	3,988,447	1,134,887	1,171,411	5,123,334	4,440,706	6,550,074	6,195,457
c. Employee Cost	645,415	320,770	244,610	966,185	789,788	1,237,189	1,073,238
d. Lumpsum compensation under the voluntary retirement scheme	-	-	48,727	-	48,727	1,602	70,176
e. Other Expenditure	811,393	379,488	241,837	1,190,881	992,314	1,354,155	1,360,851
<b>Total expenditure (a+b+c+d+e)</b>	<b>5,464,697</b>	<b>1,806,432</b>	<b>1,733,365</b>	<b>7,271,129</b>	<b>6,371,774</b>	<b>9,301,493</b>	<b>8,806,447</b>
5. Interest	8,553	21,811	3,790	30,364	14,537	53,071	33,200
6. Depreciation	202,440	63,348	64,931	265,788	246,700	304,012	294,956
<b>7. Profit before taxation for the period/year [3-(4+5+6)]</b>	<b>779,121</b>	<b>430,043</b>	<b>426,651</b>	<b>1,209,164</b>	<b>1,140,119</b>	<b>1,298,242</b>	<b>1,384,927</b>
8. Provision for taxation (see note 1)							
a. Current	220,538	78,739	112,785	299,277	275,785	439,553	350,246
b. Deferred	(8,001)	(25,185)	(2,106)	(33,186)	1,241	(30,464)	685
<b>9. Net profit after tax for the period/year before minority interest (7-8)</b>	<b>566,584</b>	<b>376,489</b>	<b>315,972</b>	<b>943,073</b>	<b>863,093</b>	<b>889,154</b>	<b>1,033,996</b>
10. Share of Minority interest	-	-	-	-	-	-	(662)
<b>11 Net Profit (9 + 10)</b>	<b>566,584</b>	<b>376,489</b>	<b>315,972</b>	<b>943,073</b>	<b>863,093</b>	<b>889,154</b>	<b>1,034,658</b>
12. Paid up equity share capital ( Face Value Rs 2 each )	396,000	396,000	396,000	396,000	396,000	396,000	396,000
13. Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)				5,921,698	5,788,207	6,808,842	6,567,910
14. Basic and Diluted Earnings Per Share for the period* / year ( Rs ) * Not annualised	2.86	1.90	1.60	4.76	4.36	4.49	5.23
15. Exports and other foreign exchange earnings	1,249,684	512,437	734,913	1,762,121	2,755,520		
16. Other income includes share in associates profit after tax	-	-	-	-	-	57,777	-

Yellow highlighted cells are corrected values - please ignore earlier values.

**SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

Particulars	As at and for the nine months ended December 31, 2002	As at and for the quarter ended March 31, 2003	As at and for the quarter ended March 31,2002	As at and for the year ended March 31, 2003	As at and for the year ended March 31,2002	Consolidated results	
	(Rs ' 000)	(Rs ' 000)	(Rs ' 000)	(Rs ' 000)	(Rs ' 000)	As at and for the year ended March 31, 2003	As at and for the year ended March 31,2002
<b>1 Segment revenue</b>							
Engine business segment	6,011,271	2,060,236	2,114,521	8,079,451	7,441,509	11,930,751	11,470,405
Others	204,871	122,569	1,260	327,440	10,274	542,406	393,133
Elimination	-	-	-	-	-	(1,890,221)	(1,676,477)
<b>Revenue from operations</b>	<b>6,216,142</b>	<b>2,182,805</b>	<b>2,115,781</b>	<b>8,406,891</b>	<b>7,451,783</b>	<b>10,582,936</b>	<b>10,187,061</b>
<b>2 Segment Results:</b> (Profit+)/Loss(-) before tax and interest from each segment							
Engine Business	570,404	251,370	306,046	821,774	877,399	1,129,287	1,125,785
Others	5,208	24,205	-	29,413	-	(26,615)	(1,201)
Elimination	-	-	-	-	-	(25,899)	10,487
<b>Total</b>	<b>575,612</b>	<b>275,575</b>	<b>306,046</b>	<b>851,187</b>	<b>877,399</b>	<b>1,076,773</b>	<b>1,135,071</b>
Less : interest	8,553	21,811	3,790	30,364	14,537	53,071	33,200
Add Unallocable income	212,062	176,279	124,395	388,341	277,257	274,540	283,056
<b>Total Profit before tax</b>	<b>779,121</b>	<b>430,043</b>	<b>426,651</b>	<b>1,209,164</b>	<b>1,140,119</b>	<b>1,298,242</b>	<b>1,384,927</b>
<b>3 Capital employed segment assets- segment liabilities)</b>							
Engine Business	3,440,158	3,850,587	4,414,676	3,850,587	4,414,676	4,828,081	5,517,127
Others	103,263	113,843	113,843	113,843		313,622	340,651
	3,543,421	3,964,430	4,414,676	3,964,430	4,414,676	5,141,703	5,857,778

Yellow highlighted cells are corrected values - please ignore earlier values.

**Notes to the Financial Results for the Year ended March 31, 2003**

- Power Systems India Limited (PSIL) and Cummins Power Solutions Limited (CPSL), the erstwhile wholly owned subsidiaries of the company were merged in Cummins India Limited on January 24, 2003 with retrospective effect from April, 1, 2002. Accordingly, the above results and the segment revenue, results and capital employed shown below include the financial results of PSIL and CPSL for the quarter and year ended on March 31, 2003, respectively, and therefore, are not comparable with those of the corresponding previous periods.  
This being the first year of adoption of Accounting Standard ('AS 23) on 'Accounting for Investments in Associates in Consolidated Financial Statements' and Accounting Standard ('AS 27) on 'Financial Reporting of Interest in Joint Ventures', the figures of the consolidated results of the previous year are not comparable to those of the current year
- During May 2003, the Company announced Voluntary Retirement Scheme(VRS) for its associates and managers. Out of total 2132 employees, 176 employees opted for VRS
- Other income for the quarter and year ended March 31, 2003 includes Interim Dividend of Rs. 58 million and Rs. 160 million respectively received from Company's subsidiary Cummins Diesel Sales and Service (India) Ltd.
- For the year ended March 31, 2003, the Company has paid Rs. 55 (million) and made provision of Rs. 46.80 million (Total Rs.101.80 million) towards superannuation benefits to its managers and associates respectively. This is reflected in the employee cost shown at 4 (c) above.
- The Board of Directors have recommended approval of interim dividend of 200% declared on April 25, 2003, as final dividend for the year ended March 31, 2003
- Previous period's figures have been regrouped wherever necessary to conform to current presentation
- The above audited results have been reviewed by the Finance and Audit Committee and taken on record by the Board of Directors in their meeting held on June 7, 2003

Mumbai, June 7, 2003

For Cummins India Limited

Ravi Venkatesan  
Chairman