

PRESS RELEASE DRAFT

**Total Sales at Cummins India Limited for the quarter up 19%, PBT up 36%,
200% dividend confirmed**

Cummins India announces new branding to reflect current positioning

Pune, July 27 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 June 30, 2006. The company announced a 19% per cent increase in net sales to Rs. 3,914 million for the quarter ended June 30, 2006, as compared with Rs. 3,280 million in the same period last year. The Board and shareholders approved a 200% dividend, including the 100% interim dividend announced in January this year.

The profit before tax during the quarter rose by 36% per cent to Rs. 700 million from Rs 516 million the same period last year.

Anant Talaulicar, Chairman & Managing Director, CIL, said, "We are pleased to announce continued improvements in our business in India. This is a result of strategic decisions made by Cummins globally to reshape itself into 'The New Cummins'. Over the past five years, Cummins has worked very hard to transform itself into a company that is more diversified, less cyclical, more global, more results oriented and continuously committed to turning a greater share of its sales into profits.

To ensure that 'the New, Dependable Cummins' is readily evident in the minds of all stakeholders, we have moved towards a stronger, unified branding strategy under a Black Cummins logo along with Red and Black background colours. We are committed to being dependable towards all our stakeholders – customers, employees, shareholders, partners, suppliers and communities in which we operate. This dependability will be projected through our people, products and services."

Cummins India Limited:

Cummins India Limited (CIL), the country's leading manufacturer of engines and related technologies has operated in Pune since 1962. CIL has produced more than 180,000 engines to date in its state-of-the-art manufacturing facilities in Pune. The company manufactures an average of 10,000 engines per year. CIL is a part 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. The high performance outlook is based on customer focus, integrity and capability of its people. Part of the USD 9.9 billion Cummins Inc, Cummins in India is a group of 11 entities across 200

locations in the country with a combined turnover of over Rs.25,000 million and employing more than 6,000 people.

Website: www.cumminsindia.com.

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