



PRESS RELEASE

Cummins India Limited Sales for Q1 2011–12 grow 12 %
Net Profit Before Tax (excluding exceptional items) down 3 percent at Rs 191.8 crores
Company declares bonus shares of 2:5 at its 50th annual general meeting

Pune: August 04, 2011: The Board of Directors of Cummins India Limited, in their meeting held today took on record the unaudited financial results for the quarter ended June 30, 2011.

Net sales of the Company for the quarter ended June 30, 2011 were Rs. 1021.9 crores, an increase of 12% over the same period last year. Domestic sales grew 8% as compared to the same period last year. Exports grew 26% as compared to the same period last year. Net profit before tax excluding exceptional items for the quarter was Rs.191.8 crores, was a small decline compared to Rs. 197.4 crores in the same period last year.

The Board of Directors have recommended issue of Bonus Shares in the proportion of 2 (two) Bonus equity shares of Rs. 2/- each for every 5 (five) existing equity shares of Rs. 2/- each fully paid up, by capitalization of reserves of the Company, subject to applicable approvals.

During the quarter, the Company divested its entire shareholding in Cummins Exhaust India Limited (a joint venture engaged in the business of manufacture and sale of exhaust silencers and mufflers for Internal Combustion Engines), as it was no longer considered core or strategic to the Company. A profit of Rs 51.4 crores was realized on this divestment. Net profit before tax including this exceptional item rose 23% to Rs. 243.2 crores during the quarter as compared to same period last year.

Anant J Talaulicar, Chairman & Managing Director, Cummins India Limited said, "The Company has demonstrated respectable sales growth this quarter over the same quarter



last year despite the headwinds of higher interest rates and reduced liquidity. Margins have however been negatively impacted as commodities and other input costs have escalated significantly. Our continued focus on improving efficiencies and reducing costs, as well as some price increases helped the Company partially offset the significant input cost increases. We are strongly positioned in the market and I remain confident of our Company's ability to sustain our leadership position and long term profitable growth. Our balance sheet remains strong and we continue to invest in technologies, products and manufacturing capacities as we remain committed to serve our customers well and deliver on our Brand Promise of Dependability. In commemoration of the 50th annual general meeting of the Company and with a view to celebrate the Company's excellent performance over the past several years, it is proposed to further enhance value for the shareholders by issuing and allotting fully paid bonus shares of the face value of Rs. 2/- each in the ratio of 2:5."

About 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.

About 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, including fuel systems, controls, air handling, filtration, emission solutions and electrical power generation systems. Its technology and pioneering initiatives are bringing innovative solutions and dependable 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 \$13.2 billion Cummins Inc., Cummins in India is a Group of eight legal entities with a combined turnover of approximately Rs. 8,600 crores, and employing more than 11,000 individuals across 200 locations in the country.