PRESS RELEASE

Cummins India Limited Results for Q2 2011-12

Mumbai: November 10, 2011: The Board of Directors of Cummins India Limited, in their meeting held today, took on record the unaudited financial results for the quarter and half year ended September 30, 2011.

Net sales of the Company for the quarter ended September 30, 2011 at a record high of Rs. 1,070 crores, up from the previous high of Rs 1,068 crores recorded in the same period last year, and for the half year ended September 30, 2011 at Rs. 2,092 crores, an increase of 5.8% from Rs. 1,978 crores over the same period last year.

Net profit before tax in the second quarter, however declined by 20% to Rs. 182 crores compared to Rs. 228 crores in the same period last year, and for the half year ended September 30, 2011, profit before tax excluding exceptional items declined by 12% to Rs.374 crores as compared to Rs. 425 crores in the same period last year.

Anant J Talaulicar, Chairman & Managing Director, Cummins India Limited said, "Growth in exports, albeit not yet at historic peak levels, helped us achieve record sales levels in the quarter. Domestic sales were flat sequentially and down 5% as compared to the same quarter last year. Consistent interest rate increases over the last year have dampened demand particularly in the power generation market. The dip in our earnings this quarter is largely due to an adverse mix with a decline in larger engine sales and a growth in smaller engine sales, aside from commodity inflation. Our cost reduction programs including Six Sigma have helped mitigate the adverse impacts to some extent. While the demand environment has worsened in the short term, we remain confident about our long term profitable growth prospects. We are positioned very strongly to weather adverse circumstances given our strong market position and cash balances. Our investments in capacity creation continue with the inauguration of the fourth new project at the Cummins Megasite in Phaltan – the India Parts Distribution Center. We remain steadfast about sustaining our market leadership based on our technology, quality, customer service and people, and above all on staying committed to our Brand Promise of Dependability."

About Cummins India Limited
Cummins India Limited (CIL), 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.

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