



PRESS RELEASE

Q3 Sales at Cummins India Limited up 22%; Profit before tax up 29%; Declares 100% interim dividend

Pune: January 25, 2007

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 December 31, 2006.

Net sales for the quarter were Rs.4,770 million, a 22% increase over sales of Rs.3,898 million in the same period last year. Net profit before tax in the third quarter rose 29% to Rs.899 million (Rs.696 million during the same period last year).

Based on the current performance of the Company and plans ahead, the Board of Directors has recommended an interim dividend of 100% (Rs. 2.00 per equity share).

Anant Talaulicar, Chairman and Managing Director, Cummins India Limited said, "We were successful in sustaining our strong growth performance through this quarter across the power generation, industrial and automotive segments. Moreover, our focus on partnering with suppliers on value engineering and waste elimination helped us offset inflation in commodities. We also expanded our Six Sigma activities, which has yielded substantial benefits in improving efficiencies."

He further stated that, "Capacity expansions at our Kothrud facility for high horsepower engines and at our new Pirangut facility for low horsepower generator drives and generator sets are progressing on schedule. We are investing significant resources to upgrade our ERP systems to the latest version of Oracle to support our profitable growth plans and enhance our information management capabilities."

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. Cummins India Limited is the flagship company of Cummins in India.

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. Its technology and pioneering initiatives are bringing innovative solutions and reliable 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 U.S. \$9.9 billion Cummins Inc., Cummins in India is a group of 11 legal entities across 200 locations in the country with a combined turnover of approximately Rs.4,500 crores and employing more than 8,900 individuals.

Website: <http://www.cumminsindia.com>

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