

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

Financial results for the year ended March 31,2005

(Rs. in '000)

Particulars	Nine months ended on December 31, 2004 (Unaudited)	Quarter ended on March 31, 2005 (Unaudited)	Quarter ended on March 31, 2004 (Unaudited)	Accounting Year ended on March 31, 2005 (Audited)	Previous Accounting Year ended on March 31, 2004 (Audited)	Consolidated Results	
						for the year ended on March 31, 2005 (Audited)	for the year ended on March 31, 2004 (Audited)
1. Net sales	8,750,470	3,167,658	2,726,743	11,918,128	9,324,186	14,711,445	11,777,915
2. Other income	596,536	200,059	215,996	796,595	766,812	671,421	613,066
3. Total income (1+2)	9,347,006	3,367,717	2,942,739	12,714,723	10,090,998	15,382,866	12,390,981
4. Total expenditure							
a. (Increase)/decrease in stock in trade	(128,098)	(150,794)	(28,805)	(278,892)	(73,902)	(278,216)	44,572
b. Consumption of raw material and components	5,992,880	2,267,892	1,885,574	8,260,772	6,163,422	10,185,988	7,745,306
c. Employee Cost	668,901	197,305	343,775	866,206	989,652	1,157,334	1,305,250
d. Lumpsum compensation under the voluntary seperation schemes	21,277	(95)	-	21,182	97,732	22,782	105,523
e. Other Expenditure	1,233,176	389,253	268,817	1,622,429	1,213,892	1,860,105	1,427,110
Total expenditure (a+b+c+d+e)	7,788,136	2,703,561	2,469,361	10,491,697	8,390,796	12,947,993	10,627,761
5. Interest	5,061	7,279	10,442	12,340	20,261	41,301	44,496
6. Depreciation	269,844	87,453	77,185	357,297	298,936	406,443	340,122
7. Profit before taxation for the period/year [3-(4+5+6)]	1,283,965	569,424	385,751	1,853,389	1,381,005	1,987,129	1,378,602
8. Provision for taxation							
a. Current	410,218	102,537	60,168	512,755	327,666	688,792	453,710
b. Deferred	(34,503)	2,875	29,847	(31,628)	(39,369)	(35,920)	(41,951)
9. Net profit after tax for the period/year (7-8)	908,250	464,012	295,736	1,372,262	1,092,708	1,334,257	966,843
10 Paid up equity share capital ( Face Value Rs 2 each )	396,000	396,000	396,000	396,000	396,000	396,000	396,000
11 Reserves excluding revaluation reserves				6,592,887	6,120,931	7,240,907	6,842,791
12 Basic and Diluted Earnings Per Share for the period*/ year ( Rs ) * Not annualised	4.59	2.34	1.49	6.93	5.52	6.74	4.88
13 Exports and other foreign exchange earnings	2,767,239	1,256,645	737,162	4,023,884	2,274,007	-	-
14 Aggregate of Non-Promoter shareholding							
Number of shares	83,119,512	90,645,512	83,119,512	90,645,512	83,119,512		
Percentage of shareholding	41.98%	45.78%	41.98%	45.78%	41.98%		
15 Other income includes share in Associates' profit after tax	-	-	-	-	-	69,188	57,262

**SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

(Rs. in '000)

Particulars	Nine months ended on December 31, 2004 (Unaudited)	Quarter ended on March 31, 2005 (Unaudited)	Quarter ended on March 31, 2004 (Unaudited)	Accounting Year ended on March 31, 2005 ( Audited )	Previous Accounting Year ended on March 31, 2004 ( Audited )	Consolidated Results	
						for the year ended on March 31, 2005 ( Audited )	for the year ended on March 31, 2004 ( Audited )
<b>1 Segment revenue</b>							
Engine business segment	8,146,169	3,138,405	2,635,338	11,284,574	8,949,757	15,437,639	12,840,773
Others	648,922	41,501	104,654	690,423	417,515	1,278,737	774,827
Intra-group eliminations	-	-	-	-	-	(1,808,803)	(1,684,577)
<b>Revenue from operations</b>	<b>8,795,091</b>	<b>3,179,906</b>	<b>2,739,992</b>	<b>11,974,997</b>	<b>9,367,272</b>	<b>14,907,573</b>	<b>11,931,023</b>
<b>2 Segment Results:</b> (Profit+)/Loss(-) before tax and interest from each segment							
Engine Business	890,515	445,729	237,557	1,336,244	780,457	1,675,594	1,009,912
Others	32,509	13,311	15,509	45,820	24,143	47,005	(16,866)
Intra-group eliminations						(246,219)	(9,256)
<b>Total</b>	<b>923,024</b>	<b>459,040</b>	<b>253,066</b>	<b>1,382,064</b>	<b>804,600</b>	<b>1,476,380</b>	<b>983,790</b>
<b>Less :</b>							
interest	5,061	7,279	10,442	12,340	20,261	41,301	44,496
<b>Add</b>							
Unallocable income	366,002	117,663	143,127	483,665	596,666	552,049	439,308
<b>Total Profit before tax</b>	<b>1,283,965</b>	<b>569,424</b>	<b>385,751</b>	<b>1,853,389</b>	<b>1,381,005</b>	<b>1,987,129</b>	<b>1,378,602</b>
<b>3 Capital employed ( segment assets - segment liabilities)</b>							
Engine Business	4,479,903	5,040,038	3,466,368	5,040,038	3,466,368	5,622,210	4,411,786
Others	150,622	191,237	256,885	191,237	256,885	437,393	476,158
	<b>4,630,525</b>	<b>5,231,275</b>	<b>3,723,253</b>	<b>5,231,275</b>	<b>3,723,253</b>	<b>6,059,603</b>	<b>4,887,944</b>

**Notes:**

- Employee cost for the quarter and year ended March 31, 2004 included Rs. 133 million and Rs. 147 million respectively as additional charge towards superannuation benefits to managers and associates. Out of this amount, based on actuarial valuation, excess provision of Rs. 43 million has been reversed during the quarter ended March 31, 2005.
- The Board of Directors have recommended a final dividend of 100% in addition to an interim dividend of 100% declared on January 28, 2005, for the year ended March 31, 2005.
- At the beginning of the quarter, no investor complaint was pending. During the quarter, 11 complaints were received. The Company has resolved all the complaints and no complaint was pending at the end of the quarter.
- The Company concluded wage agreements with its Production Associates and Staff Associates in February 2005 and May 2005 respectively. Both the agreements are effective October 2004. The annualised impact of these agreements will be approximately Rs. 75 million.
- Mr. Glyn Price has been co-opted as an additional director on the Board of Directors of the Company w.e.f. June 2, 2005
- The Statutory Auditors of Cummins Auto Services Limited (CASL), subsidiary of the Company, have qualified that CASL has paid excess managerial remuneration of Rs 1.195 million which is subject to approval of the shareholders of CASL and the Central Government. CASL is in the process of obtaining the said approvals.
- Previous period's figures have been regrouped wherever necessary.
- 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 2, 2005

For Cummins India Limited

Anant J. Talaulicar  
Chairman & Managing Director

Pune, June 2, 2005