

CUMMINS INDIA LIMITED
63rd Annual General Meeting
[CIN: L29112PN1962PLC012276]
Wednesday, 07th August 2024,
10.00 am [IST]

Corporate Participants:

Jennifer Mary Bush

Chairperson

Ashwath Ram

Managing Director

Farokh Nariman Subedar

Additional Director - Independent

Rama Bijapurkar

Independent Director

Sekhar Natarajan

Additional Director - Independent

Rekha

Independent Director

Lira Goswami

Independent Director

Donald Jackson

Non – Executive Director

Bonnie Jean Fetch

Non – Executive Director

Ajay Patil

Chief Financial Officer

Vinaya Joshi

Company Secretary

Other Participants to the Meeting -

Authorized Representative of Statutory Auditors

Authorized Representative of Secretarial Auditor

Authorised Representative of Cost Auditor

Internal Auditor

Scrutiniser

Other key Executives and Senior Management

Shareholders

Welcome Address by Chairperson

Jennifer Mary Bush

Good morning and Namaste Members, Directors, Ladies and Gentlemen,

The time right now is 10:00 am IST. I Jennifer Mary Bush, Chairperson of the Company welcome all of you to the 63rd Annual General Meeting of Cummins India Limited. The meeting is being held through video conferencing in accordance with the provisions of the Companies Act, 2013, circulars issued by the Ministry of Corporate Affairs and the Securities Exchange Board of India.

We greatly appreciate and value your interest in the Company and want you to know that we are pleased to have you with us today.

At this juncture, I would like to put on record that I am attending this meeting from Pune through video conferencing. In the event of unforeseen technical issue, if I get disconnected from this meeting, I request Mr. Ashwath Ram, Managing Director of the Company, to continue the meeting until I join back.

In financial year 2023-24 the Company has launched best-in-class products which powered the success of its customers and reported record revenues and strong profitability. Your Company over the past 62 years of its presence, has become synonymous with innovation, dependability and trust.

Your Company's relentless pursuit of innovation and excellence is amplified by its commitment to Diversity, Equity, Inclusion and Culture. Your Company continues to serve its commitment towards 'Destination Zero', which is based on the belief that sustainability is not just a priority, but an imperative, guiding everything we do. This collective purpose guide us to not just deliver groundbreaking products and cultivate best-in-class workplace, but to inspire the positive change in communities we touch and planet we inhabit.

With your Company's unparalleled brand, exceptional talent, diverse product & service portfolio, world class manufacturing capabilities and extensive service network, your Company is uniquely equipped to be the engineers of this powerful future.

As 2024 presents a phenomenal opportunity to co-create a future brimming with unmatched Power, Progress and Possibilities, I look forward for your continued contribution for achieving even greater things together.

I am deeply humbled to be your Chairperson, leading a Company with such a remarkable legacy and a future filled with Progress and Possibilities.

Ms. Vinaya Joshi, Company Secretary has confirmed that requisite quorum is present through video conferencing to conduct this meeting. Members' participation through video conference and other audio video means is being reckoned for the purpose of quorum as per the circulars issued by the Ministry of Corporate Affairs and Section 103 of the Companies Act, 2013. With the required quorum being present, I call the meeting to order.

Representations under Section 113 of the Companies Act, 2013 has been received by the Company including from the Holding Company.

All the Directors and KMPs are attending this AGM through VC from Pune.

Now, I would like to introduce my fellow Board Members starting from **Ashwath**.

Mr. Ashwath Ram is on the Board since August 2019 and is also the Managing Director of the Company. Prior to this role, he has held various senior positions in the areas of business leadership and transformation, sales, strategy, operations, and supply chain.

Mr. Farokh Nariman Subedar is on the Board as an Independent Director and is also the Chairperson of Audit and Compliance Committee of the Board. He has vast experience in the fields of business management, finance, taxation, law, risk management and accounts. He has also been the past President of Bombay Chamber of Commerce and Industry.

Mr. Sekhar Natarajan is on the Board as an Independent Director and is also the Chairperson of Risk Management Committee of the Board. He is a recognised people leader and strategic thinker with rich global experience in Business Development and Merger & Acquisition. He also works closely with industry forums on policy and advocacy matters.

Ms. Rama Bijapurkar is on the Board as an Independent Director and is also the Chairperson of Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the Board. She is a thought leader on market strategy and India's consumer economy. Ms. Rama Bijapurkar is also on the Boards of several of India's blue-chip companies as well as Governing Councils of academic and public service institutions.

Ms. Rekha is on the Board as an Independent Director of the Board. She has rich experience across Manufacturing, Automotive, Aerospace and Industrial Automation & Energy Management industries, primarily in the disciplines of P&L Management, Marketing, Program Management, Quality Management, Talent Management, Hardware & Software Development and Product Design & Innovation.

Ms. Lira Goswami is on the Board as an Independent Director and is also the Chairperson of Stakeholders Relationship Committee of the Board. She has more than 30 years of experience in corporate, commercial, and regulatory work including international business transactions, strategic advisory, mergers and acquisitions, regulatory compliance in various sectors including in the defence, energy, pharma, food and other sectors.

Mr. Donald Jackson is Non-Executive Director of the Company. Mr. Donald Jackson holds position of Vice President – Treasury and Tax at Cummins Inc. Donald has rich experience as a global financial risk management professional.

Ms. Bonnie Jean Fetch is Non-Executive Director of the Company. Ms. Fetch is Vice President and President - Distribution Business at Cummins Inc. Bonnie has broad expertise in strategic planning, logistics and manufacturing operations; business development; engineering; supply chain management; and human resources.

Mr. Ajay Patil is the Chief Financial Officer of the Company. He has multi-industry work experience of over 29 years in the field of Finance across geographies.

Ms. Vinaya Joshi is the Company Secretary and Compliance Officer of the Company. She has over 15 years of experience in the field of corporate laws and allied legal matters.

Jennifer Mary Bush

Thank you everyone.

Members are informed that we also have representative of Statutory, Cost & Secretarial Auditor's joining this meeting. Internal Auditor of the Company has also joined this meeting.

I once again welcome all of you to the 63rd Annual General Meeting of the Company. We are now moving ahead with the proceedings of the meeting.

I request Vinaya Joshi, Company Secretary of the Company, to give general instructions to all the Members regarding proceedings of the meeting.

Vinaya Joshi

Thank you, Jennifer. Good morning, everyone.

Members may note that this AGM is being held through video conference in accordance with the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI.

The video conference facility is made available for the members on a first come-first-serve basis barring few exceptions as provided in the MCA Circular.

We have around 40 members participating today in this AGM.

As this AGM is being held through video conferencing, the provisions for appointment of proxies by the members is not applicable. Hence, the Proxy Register is not available for inspection.

The Statutory registers as required under the relevant provisions and required documents in reference to items in the Notice of the meeting are made available electronically for inspection by the Members during this AGM on the video conference screens. Members seeking to inspect such documents post AGM can send their requests to the email id - Cil.Investors@cummins.com.

In accordance with the MCA circulars, the Annual Report for the Financial Year 2023-24 along with the Notice of AGM has been sent on July 12, 2024, via email to those shareholders, whose email address was registered with the Company / Registrar and Transfer Agent and the depository participants. Further, the printed copies thereof were sent to those members who had requested for the same.

The Annual Report along with the notice of AGM is also available on the websites of the Company, NSDL, BSE Limited and National Stock Exchange of India Limited.

The Company has received requests from Members to register them as speakers at the meeting. Accordingly, the floor will be open for those Members to ask questions or express their views.

It may be noted that the Company reserves the right to limit the number of members asking questions and the questions will be answered in the AGM depending on the availability of time at the AGM. The moderator will facilitate the session once the Chairperson opens the floor for questions and answers.

I would like to bring to your notice that the Company has provided remote e-voting facility to cast vote electronically on all resolutions mentioned in the AGM Notice in accordance with the Companies Act, 2013. The remote e-Voting facility was kept open for a period of 3 days from Sunday, August 04, 2024 (9.00 a.m. IST) and ending on Tuesday, August 06, 2024 (5.00 p.m. IST).

Members who have not yet cast their votes electronically and who are participating in this meeting can cast their votes during the meeting through e-voting facility provided by NSDL (e-voting service provider). Members can click on "Vote" tab on the video conference screen to cast their vote anytime during the AGM.

Members may please note that there will no voting by way of show of hands.

Members may also note that an additional and dedicated voting session of 15 minutes would also be provided after closing speech by the Chairperson.

Members are requested to refer to the instructions provided in the AGM notice and appearing on video-conferencing page for an uninterrupted participation in the meeting.

Recorded transcript of this AGM will be maintained and will remain in the safe custody of the Company.

Jennifer Mary Bush

Thanks, Vinaya.

I would also like to inform that all efforts feasible under the circumstances have indeed been made by the Company to enable Members to participate and vote on the resolutions being considered in the meeting.

I thank all the Members, Colleagues on the Board and Auditors for joining this meeting through video conferencing.

Jennifer Mary Bush

I now request Ashwath Ram, Managing Director of the Company to take you through a brief presentation on the Company and its performance during the Financial Year under review.

Ashwath Ram

Thank you, Jennifer. Good morning, everyone. Welcome to the 63rd Annual General Meeting of Cummins India Limited. We will be going through the financial performance, our story, talk a little bit about the business highlights, a

little bit about the growth strategy, and then give ourselves some time for questions and answers.

So, Cummins Incorporated had a really good quarter, the previous quarter which was Q2 2024 had revenues of 8.8 billion dollars which is an increase from the previous quarter from the quarter in the previous year and EBITDA of 1.3 billion dollars or 15.3 percentage of sales. This year our theme at Cummins India is committed to power, progress and possibilities. And we'll be talking a little bit about that as we move forward. As always, Cummins is successful because of our mission, which is making people's lives better by powering a more prosperous world, our vision of innovating for our customers to power their success. And we've always considered ourselves a values-based company, a company which focuses on integrity, diversity and inclusion, excellence, caring and teamwork as our core values. And we have a brand promise of powering our customers through innovation and dependability, which is what, has made us successful over many, many decades.

The theme of Power Progress and Possibilities is one of powering the progress of people, our customers, and looking out to endless possibilities and harnessing what, where our nation is progressing to yield better dividend and results for all our stakeholders. We have some amazing highlights from 2023 and 2024. We launched an entire new range of CPCB 4 plus gen sets, which we think are best in class solutions over 26 thousand gen sets were delivered in the previous year and extremely strong presence in market segments like railway, defense, marine, mining and many more. We launched the Ashwasan programme to enable 24/7 support and guarantees to our customer's we launched many, many new programs to support customers, including applications like Mithwa, which builds brand loyalty for mechanics and many more.

We are also launching and developing the next generation of fuel agnostic engines. So we are ready for the transition when it happens. So, extremely happy to report that all of our business segments, whether it be power generation, off-highway or construction, have all had record revenue. This was the first year we officially submitted a publicly audited business sustainability report and some of the highlights from that report are 100 percent waste recycling with no landfill, zero liquid discharge, over 60.78 lakh kilowatt hours of electricity generated by on-site solar installations, over 1,250 million gallons of water conserved, over 340,000 people benefited from our corporate responsibility projects. The list is enormous and I would request all of you all to go and look at the BRSR report because it is available publicly and it is something to be very, very proud of. As you would expect with all the record performance and all the work that we do in multiple areas, your company has been recognized and awarded in multiple forums including the Global Peacock Award for Health and Safety, Excellence Awards in Quality, Supply Chain Awards, many many more.

Getting into the financial performance of 23-24. This has been another record year with revenues of 8,816 crores, profit before interest and tax of 2,172 crores, another new record and again record cash generated from operations 1,280 crores of cash generated and a dividend rate of 1,900% another new record. You can see our revenue and profitability trend. You can see that over the last three years, our revenue has grown at a CAGR of 21% which is even higher than our own aspirational growth rate of 2X of GDP which is roughly about 12 to 14%. And you can see from our 22 year where we had record profitability, we have again repeated that two times in a row and we are now at 2172 crores. So, all thanks to the incredible teamwork and performance by your company.

If you look at the domestic versus exports trend, domestic market in India, the growth of India has what has powered significant growth for Cummins India Limited. The domestic aggregate is 27% and an export is growing, is growing well. There have been some cycles in the exports markets due to which the exports growth has not been as strong, but we remain confident that as those markets also return and as we keep launching better products for the global markets that that market will also continue to grow at a very healthy rate.

Dividend as I mentioned before we are now at 1900% of dividend which is the highest over 1053 crores of cash is distributed to our shareholders which makes us all feel really good. We have an incredible growth strategy that we have been working on for the last three or four years. This is to continue profitable growth for this company based on a foundation of amazing health, safety, quality and financial support. We intend to grow significantly in the power generation core, grow the industrial core and grow the aftermarket. India is in a significant leverage position to supply products around the globe which we intend to capitalize on. We are entering into the hydrogen space and into battery based electrification for many of our segments. We see the growth of India, the infrastructure required to be able to do that as the foundation by which we can harmonize all of this growth moving forward. And we have been able to execute on this strategy well and we will continue to execute on this as India continues to grow. So I will conclude my presentation by saying that we will continue to live our values and deliver on our brand promise of innovation and dependability.

We have 60 plus years of innovation. We have an incredible global footprint. We have the experience you can depend on. We have an amazing engineering presence in the country to develop all the products that we need to grow. We have a world class service and support network, incredible technology and digital solutions, an amazing company with great diversity, equity and inclusion and we are ready to power the green future which all of us want. So thank you and I will hand back to Jenny.

Jennifer Mary Bush

Thank you, Ashwath.

As the AGM Notice convening the meeting is already circulated to all the Members, I take the same as read.

The Statutory Auditors, Price Waterhouse & Co Chartered Accountants LLP and the Secretarial Auditors, Pramod Shah and Associates have expressed unqualified opinion in their respective Audit Reports for Financial Year 2023-24. There were no qualifications, observation or adverse comments on financial statements or matters which have financial bearing on the Company.

The Statutory Auditor's Report on standalone and Consolidated financial statements are available on Page no. 170 and 264 of the Annual Report. Secretarial Audit Report is enclosed as Annexure 5 on Page no 91 of the Annual Report. With your permission I take the Auditors report also as read.

The Audited accounts for the year ended March 31, 2024, are part of the Annual Report and has already been sent to you.

We will now take up the resolutions as mentioned in the Notice.

We shall begin with the question – answer session after all resolutions are tabled.

Item No. 1 to the notice -

To consider and adopt the audited standalone financial statements of the Company for the Financial Year ended March 31, 2024, the reports of the Board of Directors and Auditors thereon.

Item No. 2 to the notice -

To consider and adopt the audited consolidated financial statements of the Company for the Financial Year ended March 31, 2024, and the report of the Auditors thereon.

Item No. 3 to the notice -

To declare final dividend on equity shares for the Financial Year ended March 31, 2024, and to confirm the payment of interim dividend for the Financial Year 2023-24.

Item No. 4 to the notice -

To appoint a Director in place of Mr. Donald Jackson (DIN: 08261104) who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 5 to the notice -

To ratify remuneration payable to the Cost Auditor, M/s. C S Adawadkar & Co., for the Financial Year 2024-25.

Item No. 6 to the notice -

To approve material related party transaction(s) with Cummins Technologies India Private Limited.

Item No. 7 to the notice -

To approve material related party transaction(s) with Tata Cummins Private Limited.

Item No. 8 to the notice -

To approve material related party transaction(s) with Cummins Limited, UK.

Item No. 9 to the notice -

To approve material related party transaction(s) with Cummins Inc., USA.

Item No. 10 to the notice -

Appointment of Mr. Sekhar Natarajan (DIN: 01031445) as a Non-Executive Independent Director of the Company for a term of five consecutive years.

Item No. 11 to the notice -

Appointment of Mr. Farokh Nariman Subedar (DIN: 00028428) as a Non-Executive Independent Director of the Company for a term of five consecutive years

The resolution(s) pertaining to item no. 4 to 11 along with the explanatory statement under Section 102 of the Companies Act, 2013 and additional information as required under Listing Regulations is provided in the notice circulated to the members.

The Board has appointed Mr. Pramodkumar Ladda (Company Secretary in Practice), as the Scrutinizer to supervise the e-voting process and scrutinize the votes cast through remote e-voting and e-voting facility provided at the Meeting. The results of the e-Voting will be declared on receipt of the Scrutinizer's report and placed on Company's website and the same will be submitted to stock exchanges within statutory timelines.

We shall now open the floor for questions from Speakers who have pre-registered themselves for asking questions at the Meeting.

Before proceeding with the questions, I would like to ask Ms. Vinaya Joshi to brief the Members on Question and Answers Session.

Vinaya Joshi

Please take a note of below points while asking questions:

1. Kindly turn on your video and unmute your audio to ask question when you are projected on video conferencing screen;
2. Mention your name, folio number and location from where you are participating;
3. Each Member will have approximately two to three minutes to ask question(s) or express views/ suggestions;
4. The questions will be responded after all the Speakers have raised their questions.
5. Speakers are requested to keep their questions brief and specific.
6. Considering the availability of time, the Company may limit the number of members asking questions.
7. Once you have asked your questions, you may turn off your video and continue to watch the proceedings of the meeting;

The moderator will facilitate the question- answer session. I now request the moderator to take-up the questions of Members in queue. After all the questions are raised, I request Mr. Ashwath Ram, Managing Director to conduct the answer session.

Moderator

I will invite the first speaker shareholder, Mr. Jaydeep Bakshi. Please unmute your audio and switch on your camera and proceed with your question.

Mr. Jaydeep Bakshi

Yes, very good morning, Chairperson, MD, CFO, and key managerial persons. Myself, Jaydeep Bakshi, connecting from the city of Kolkata. Convey my thanks to our company secretary, Vinaya Joshi Madam, for giving me an opportunity and also to the Secretary Department for maintaining good investor service relations and presenting an annual report which is a detailed and informative one.

Madam and Sir, your initial speeches were very much informative and also descriptive. Our company overall performance has been very good with growth in revenue from operations. Congrats to the entire team for bringing out this situation. And also, thanks for the dividend you passed on and continue paying this in the future years also.

So we are the leading manufacturer of generation's engines, and we have navigated through different geopolitical problems. What are our plans to overcome more such headwinds as we are in the Middle East and also the Europe, et cetera, countries? And what is our been our quarter one net profit rose to 31% on a year-on-year basis. That's again a very good performance. So what is the capacity utilization of our five units? And with infrastructure development taking place and the real estate business also turning around our scope in matching with this demand. So what is the order book from government sector like the railways, the marine, the defense and etc. and other sectors. And thoughts on the record engine sale in off-highway construction segment. So what is the implementation of latest technology for more value-added products? So our products with new emission norms and through our R&D, kindly share our thoughts regarding this. And also on the next-gen diesel engine. So our service response to customers has been prompt. That's a very good initiative because after-sales service is the very most vital aspect. And kindly share some thoughts regarding the lower FE earnings. So great, we have onsite solar installation, which saves our fuel costs and what are our further plans to support this green energy initiative? And share also our credit rating and attrition rate also.

So nothing to add more. I have supported all the resolutions and continue with our momentum of progress as Cummins is synonymous with innovation, dependability, and trust of all stakeholders and continue as the engineers of the future. Thank you, sir, for giving me an opportunity. Thank you, madam, and continue with this video conference so that we can keep in touch in future.

Thank you, sir.

Moderator

Thank you for your question. I will now invite the next speaker shareholder, Hiranand Kotwani. Please unmute your audio, switch on your camera, and proceed with your question.

**Mr. Hiranand
Kotwani**

Namaste, namaste, namaste. Respected Madam Chairperson, Jennifer, and Avasthi Ram. And some must say to all the people attending this meeting, you have narrated all these things. Why people, 40% will ask the question? But certainly some points are there. This gentleman narrated the domestic sale and all these things, but he was mum on export front. What is the vision and mission of the export? How company will increase the export and earn the foreign exchange? Put our main customer in the market and we are looking for the various geographies. And this particularly you can please narrate the current position of the defense and railway orders because last year our sales are good, all are well, okay. The thing to rather you I used to criticize but no room to criticize because you have done well and still long way to go where you see PPP, the three P's are very hot and one thing I want to comment on the subsidiary and joint venture. Is there any plan to increase the joint ventures and the

subsidiary percentage because this says a unlock value in our joint venture and subsidy. Particularly this global lubricant business and other you are reduced that associate company the company on 48% why we have to increase because we are cash rich. We still long way to go the progress nothing more to cut away good wishes all the best for the organization and the employee, security department also good, I have to also congratulate them, thank you.

Moderator

Thank you for your question, I will now invite the next speaker shareholder, Manjeet Singh, please unmute your audio, switch on your camera and proceed with your question.

Mr. Manjit Singh

Management team, Secretarial team and my co-shareholder. I welcome all. Since last one year company has made progress is visible on share market. I thank board for doing good work. We have marriage and festival season were a new purchasing of vehicles is done. So, some companies will be connected to us. We will get their order and the way the order book comes, our plants are running with full capacity. How is the order book? We are able to deliver our orders on time. Please tell us about this.

India is a country that has a long history. Our last bonus in 2011, 2 bonus shares in respect of 5 shares held. Now that 14-year period has been completed. If our company is in such a position, and we can expect you to decide a bonus in a board meeting. Our balance sheet was prepared. After the balance sheet came, some comments from our board were like this, which had an impact on the share market, and our share came down by 12 to 15 percent from its high.

We request you Sir to please answer us. If you get our answer in the mail, it will be good. We have around 51% promoter holding. Will you increase it? Please tell us. I have some questions left. I would like to ask you to contact the Secretary Department and ask us your questions.

The company is being run with a smile on your face. We hope that this company will continue to grow. We are very happy to have attended this meeting. Thank you for the management team. Thank you for the schedule team.

Moderator

Thank you for your question. I will invite the next speaker shareholder Vinod Agarwal. Please unmute your audio, switch on your camera and proceed with your question.

Vinod Agarwal

Respected Chairperson, Madam Jennifer Bush, MD Ashwath Ram and CFO Ajay Patel and CS Vinaya Joshi, good morning and regards to everyone. Sir, I have seen your annual report. The performance has been very good, sir. The domestic sales were good but the export sales were a little muted this year. I'm sure that they will come back with the hard work and perseverance. The revenues are at a record high, the PAT is at a record high, the free cash flows at 1200 plus are also

at 1280 crores also very good, sir. The only query and worry would be that we are still into an ICE engine kind of a business, internal combustion engine. Now the world is moving towards electric mobility and electric kind of power transmission and even power backup, which are more of electric backup kinds. How big a threat would that be? The company you are seeing over the period of four to five years. One or two years, three years is not the, it's a very short timeline. But four or five years, power battery packs coming up, you know, like displacing the generator at the lower level.

Like I am told that telecom towers used to have power generators now. Now they have battery pack-ups at their end. So now how big a threat that can be sir, the dividend and everything has been good sir, sold 26,000 generator sets, everything sir, I wish the company all the best for future, the dividend of 38 rupees is also appreciated sir, I wish the company all the best sir, signing off, Vinod Agarwal from Mumbai.

Moderator

Thank you for your question. I would now invite the next speaker shareholder, Anil Mehta, please unmute your audio, switch on your camera and proceed with your question

Anil Mehta

Good morning, this is Anil Mehta attending this meeting from my residence, Kandivalli, Mumbai with my family members. They are also the shareholders of the company. We have a few questions, sir. The question number one, 1. How does the company assess its liquidity and availability of the funding sources for operations? Next question, what is the company doing to improve the shareholders relations? Next question, what are the principal objectives in the company's business plan for the next year, for the next five years.

Next question. How does the management monitor intercompany transactions? And the last question, what are the major opportunities and challenges facing the company, and how does the management plan to respond? With this, we are supporting all the resolution and thanks to the Secretary Department led by Ms. Vinaya Joshi for the cooperation and support nature. All the best. Thank you.

Moderator

Thank you for your question. I would now invite the next speaker shareholder, Poonam Gupta, please unmute your audio, switch on your camera and proceed with your question.

The person with the said name is not connected in the meeting. So moving to the next speaker shareholder, Gautam Kedarprasad Tiwari. Please unmute your audio, switch on your camera and proceed with your question.

Gautam Kedarprasad Tiwari

Yes, Namaste and good morning to our chairperson, Mary Bush, Jennifer Mary Bush and our Mr. Ashwath Ram also in the program and all other directors and team Cummins India Limited and all fellow shareholders myself Gautam Tiwari

and I am participating at this meeting from which. Dear sir, I would like to say that Ms Jennifer and even Mr. Ashwath Ram, you have explained the company's working and company's total philosophy and company's present status so nicely and in the past also the company what company did and on the top of it you also told us about the first quarter of FY 25 and very much pleased lot of questions which I really wanted to ask you have been already answered in your speech. Sir, I am very much happy with the company for giving the record dividend of 1900% this percent this year and you have been very generous and very good I must say all of you are very energetic dynamic well experienced with excellent business acumen business understanding expertise and what to do in the business and what not to do and when to do and how to do in this matter and I am a proud shareholder of your company since years together. Sir, we are getting a lot of pre-orders So, how many orders we have got in our order book? How many of them have been already completed? How many are in the process of launching? Please tell us. Sir, our Jamshedpur and Pithampur plant's capacity utilization is how much at present?

As I said, I really welcome Shweta Arya and her experience and expertise will certainly benefit the company and take company to greater heights. So I must say that Vinaya Joshi, since last four years or more, so we have been seeing her service is very good along with her assistant, Aditya Joshi, a very dynamic, energetic, and intelligent. He's very prompt to check all the shareholders in time and inform them and take a good care of shareholders. He is a very brave boy. A lot of blessings to him on Vinaya Joshi. A lot of blessings and good wishes and compliments because they have been performing their work so quickly. Sir, I would like to tell you this time I haven't received the physical copy of notice and annual report, please send it all after the meeting. We are very much interested to keep a record of it and Sir, it's very good the way they have been working. Sir, I would like to ask a few small things.

Sir, we have developed 4 plus engine CPCB which is in process tell us more about it. Please enlighten us with Ashwasan & Mithwa Scheme you are the key points of our business success. Please keep on doing it. Sir FY 25 first quarter is very good next coming three quarter how we will perform? Our integrity innovations are the key points of our business successes keep on doing it.

Sir, incredible team work, all outstanding performance. How many people are team core profitable group? We thank you all for your team. You are the diamonds in the company and company must preserve and sustain and retain you with all its ability. So how much is our attrition rate? And we have got 51% promoter holding are you going to increase that holding if at all you have increased or decreased but you will never

I thank you on your selecting noble and excellent service providers for the benefit of shareholders. I pray for the best of the life and happy and healthy life

with all compliments for the future festivals to all the management and each one connected on board. And our lifetime support will continue because you are total compliment to us. And here is my grand salute to the Total Talk team and everybody who is involved with. Thank you very much for your support.

Moderator

Thank you for your question. I will invite the next speaker shareholder Naeem Islam Mullick. Please unmute your audio, switch on your camera and proceed with your question.

Naeem Islam Mullick

Very good morning respected chairman, board of directors and fellow our online shareholder, myself Naeem Islam Mullick, equity shareholder of Cummins India Limited, speaking from Kolkata. Sir, in expressing my view that company's performance is very good, I very thanks to our talented management. Sir, please consider to bonus issue or stock split or buyback. Balance all satisfactory growth. Sir, one query. In future, our company plan and action on green energy business, please clarify our number of female employees our number of female employee nothing to say more and all resolution passed my vote in favor thank you over to you.

Moderator

Sir now I hand over the proceeding to MD sir. Over to you, sir.

Ashwath Ram

Okay, so thank you for all the questions. I think I have over two dozen questions. So I'll try to answer as many of them as I can.

So, the first question was from Mr. **Jaydeep Bakshi** and he had quite a few questions and I will try to answer them in sequence. As far as exports are concerned, his question are there any headwinds for export? Our response to that is that there are always many headwinds as far as the global market is concerned and there have been geopolitical crisis, there has been the Ukraine crisis, there has been all the conflict in the Middle East, there has been slowdown in China, there have been problems in Latin America. But despite all of that we continue to grow the exports markets and we are very confident that with the kinds of products we are developing for the export markets that we will continue to grow this and this will remain a good business as far as Cummins is concerned. His second question was about capacity utilization, roughly we are at close to 60% of installed capacity and little over 90% of our manned capacity as far as utilization is concerned. And the order book in pretty much all the market segments is very strong. Lot of new technologies are being deployed CPCP 4 plus itself is incredible new technology, but we are also deploying new technology in the off-highway markets, in rail, with hotel load converters, we are introducing you know hybrid kinds of products in multiple market segments. So I will talk a little bit about that later to address a different question. And as far as green energy transitions are concerned, your company is very, very well placed for green energy transition. Cummins has a vision to become a zero carbon company

by 2050 and we are well on track to meet that internal goal of ours. Another question was about attrition, currently the attrition is running somewhere between 5 to 7 percent which is a good attrition level as compared to historical levels.

Second set of questions were from **Mr. Hiranand Kotwani**, what is our export growth plan and we do, India is one of our biggest bases to produce develop products for the export market in the power generation space and we continue to put in tremendous amount of energy and effort to develop these new products to reduce the cost structure of these products to make them competitive in the global space with products coming out of China and other lower cost regions. And we remain very confident that year on year we will continue to get growth in the exports market as well. Is there any plan to increase our share in joint ventures? As of now, there is no such plan, but your company is a debt-free company and if any opportunities to increase share do come up, certainly the company is in a good position to be able to do so.

Next questions were from **Mr. Manjeet Singh**. How are we connected with the auto sector and what are some of the cycles of the company? So, the company is loosely coupled with the auto sector in the sense that some of the products which are used by your company are also used in the auto sector. When the auto sector grows and they set up capacities, they set up infrastructure, then they use our products and so if auto is successful, then there is growth for our company as well. And the company's business is cyclical. There are certain businesses within the company which are highly cyclical like the compressor business is incredibly cyclical and has cycles of two or three years when there are huge upswings and huge downswings. The construction market in the past has been slow, but now we are seeing a cycle of strong growth at least for the next few years coupled with the growth of infrastructure of the country. It is similar with power generation as the country continues to develop and grow, the need for infrastructure also necessitates having more power and so the cycle for power generation continues to remain strong. So that is the way I will respond to that question. The next question about that was about capacity utilization, which I already answered and about the order book. The order book position right now is quite strong in all the market segments. As we came out of the CPCB2 regime into CPCB4+, we are starting off with low inventories in the pipeline and a very strong order board. When will we get the next bonus issues? Certainly we will keep you informed as we contemplate that. We continuously have a look at total shareholder return and we are constantly looking at waist you give more money back to our stake holders and suddenly will continue to work on that. You mentioned about some global commentary on the future of the power generation business and about growth. Commons were related to the current quarter and the current cycle which we saw in India as a transition between CPCB 2 and CPCB 4+. We continue to be extremely optimistic and bullish about the growth possibilities for India for Commons India Limited. We have continued to,

we continue to guide that we will be able to grow this business at roughly 2x of the GDP of India and we remain confident that nothing has changed for us to enable us to do that.

The next question is from **Vinod Agarwal**. His question was about internal combustion engine since we are mainly an internal combustion engine company now, what is our plan for electric mobility and is it a threat in the next five years? And our response to that is that it is absolutely not a threat in the next five years. It will start becoming a threat in the 10 to 15 year kind of horizon. In the short term or in the five year horizon or five to 10 year horizon, we are actually seeing demand for internal combustion engines actually increase significantly and Cummins being the leading global player has technologies in internal combustion and we have also announced the launch of high efficiency, low emissions and multi-fuel products which are all internal combustion based products which will carry us forward for at least the next two decades. We also have announced the launch of hydrogen internal combustion engine. So even some of the future fuels which are likely to become more popular in the next two decades, we already have product which we can use in our internal combustion engine. So I think the five to ten years with the product portfolio and the investments we are making in our product portfolio gives us immense confidence that we will continue to remain successful.

The next set of questions is from **Mr. Anil Mehta**. The first question is how does the company assess liquidity. First of all the company is Debt free company and we assess liquidity by very closely monitoring inventory, by monitoring free cash flow, by looking at cash generation, by controlling our costs and ensuring we collect our receivables on time and we pay our suppliers on time. And we monitor all of these variables and ensure that we are continuously generating more cash for the business. What is the company doing to support shareholders? We have an excellent company secretarial department, which is pretty much available 24 by 7 if you have any queries and Has been complemented by many Stakeholders that they are best-in-class organization and so they will be They are available for any queries any kind of information We maintain a pretty Open dialogue with all stakeholders for any kinds of questions. A five-year growth plan, we have a pretty strong five-year growth plan as I shared during my presentation. We continue to guide that we will be able to grow in that period at a growth rate which is 2x of the GDP of the country. So all our plan and working is to be to do that or do better than those plans. As far as intercompany transactions, intercompany, this company has had intercompany transactions for 60 plus years and I'm very happy to report that all of them are at arm's length and we continue to do it in a manner by which value for our stakeholders is continuously generated and maintained and every transaction especially intercompany transaction are governed monitored by norms, rules, policies and are audited by external public agencies. The last question from this gentleman was about the kinds of challenges the company is facing and our response to

those challenges. There are multiple challenges, there are geopolitical challenges, and there are challenges with generating growth in global markets. There are challenges with transitioning to new technologies. And the company has very, very robust plans to deal with all of these challenges. A experienced team, a lot of investments in technology, investments in capacity, investments in brand development, investments in sales and marketing. So, all of those investments go towards mitigating some of the challenges that I mentioned. And there will be more challenges and this company has demonstrated time over time that when there are more challenges, we actually rise up and are able to do better than what other companies can do.

The next set of questions is from **Mr. Gautam Tiwari**. He wanted to know about the order book and my response there is the order book is strong and pretty full. He wanted a little bit of an explanation of what is this CPCB 4 plus and what is the kind of technology in that. CPCB 4 plus is a very interesting technology in the sense that it now makes India the leading emissions user as far as generating sets are concerned up to 910 kilowatt. And in order to be able to produce CPCB4 plus product gen sets, we have to migrate from what used to be a complete mechanical engine configuration to a full electronic engine configuration and have to introduce after treatment. And Cummins has incredible amount of experience doing this in other markets and around the world for over 40 years. So it places us in a very good position to improve the service to our customers to deliver better performance of product and make the environment greener with this new technology. So CB4 Plus transition has been going very well for us. And I'm happy to report that over 5,000 gen sets have been sold in the previous few quarters and since the announcement of CPCB4 plus was made over 10,000 gen sets have been sold by Cummins in that space. We also wanted a little bit of explanation on the Ashwasan and Mithwa programs. The Ashwasan program is a guarantee program where for those customers who sign up for that program, we assure a 24 by 7 service and an uptime guarantee, which means that if we guarantee that by all means at our disposal, we will get your set up within four hours of it being reported as having failed in under any circumstance. And I'm even happier to report that we have very few failures because the product is so reliable and robust that you know the Ashwasan program is very very successful. The Mithwa program is about providing electronic tools to reach out to mechanics and have them have access to service support as well as spare parts and it is a grounds up based movement to empower the mechanic to be able to get everything they need to be able to service and support a Cummins product. So again that program is also progressing pretty well. There was a question about attrition and as I mentioned the attrition is somewhere between 5 to 7% as of now. I also appreciate the feedback for Vinaya Joshi and the secretarial team. We really appreciate the kind words and we will continue to ensure the level of service that they provide.

The next question was from Mr. **Naeem Mullick** about our plans on green energy, the percentage of women employees. The percentage of women employees hovers somewhere between 22 and 24 percent. At the last count, it was at roughly about 23 percent. It is our ambition that we aim for parity, which means that sometime in the near future want gender equity and we want to get to 50% and we have a road map on how we will do that. As far as green energy transition is concerned, Cummins has what we call Planet 2050 where we will become a carbon neutral company by that time frame and all plans are in place including getting into greener energy solutions such as batteries, hydrogen, Cummins has its own electrolyzer companies so every aspect of the green journey is something Cummins has been working on and we are pretty happy to report that we are making good progress on all those areas. With that I want to conclude the Q&A session and I want to thank all of you for the amazing questions and if any of your questions have not been answered by us, please feel free to reach out to us on the email that was listed earlier and we will be glad to respond to any of the questions. Thank you. I will now hand over back to Jenny.

Jennifer Mary Bush

Thank you, Ashwath.

The shareholders whose questions were not taken up due to technical issues or paucity of time are requested to send their questions, suggestions on Cil.Investors@cummins.com.

Please note that these additional questions received would further be answered by the Company in due course through appropriate mode of communication.

As per Companies (Management & Administration) Rules, 2014, results have to be declared by the Chairperson or any other person authorized by Chairperson in writing. Therefore, I am authorizing Ms. Vinaya Joshi – Company Secretary to declare the results of e-voting and upload the results on the Company’s website and Stock Exchanges along with the report of the scrutinizer within Statutory timeline.

The businesses at item no. 1 to 11 as set forth in the Notice shall be deemed to be passed today subject to receipt of requisite number of votes.

I thank you all of you once again for attending this Meeting. The proceedings of the meeting have now been concluded. The voting through e-voting shall continue for next fifteen minutes. Accordingly, the meeting shall stand concluded post voting ends. Thank you very much, take care and stay safe.
