



CONTACT:

Harmeet Kaur Mehra
+91 98231 39900
harmeet.mehra@cummins.com

Fern Pais
+91 9766239332
fern.pais@bm.com

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Cummins India Limited Results for Q3 2017-18

Mumbai, INDIA: The Board of Directors of Cummins India Limited, at their meeting held today, took on record the unaudited financial results for the quarter and the nine months ended December 31, 2017.

Post implementation of GST from July 01, 2017, sales numbers are required to be disclosed without including the levy of GST. The published sales numbers in the nine months ended on 31st December, 2016 and quarter ended 30th June, 2017 were inclusive of excise duty, hence published results are not comparable. However, for the purpose of this press release, and to allow easy comparison, the Company has excluded excise duty from the reported sales numbers across periods in this and for the previous year.

Net sales of the Company for the quarter ended December 31, 2017 at ₹ 1,318 Cr, marginally declined as compared to ₹ 1,324 Cr recorded in the same quarter last year, and increased by 18% compared to ₹ 1,118 Cr recorded in the preceding quarter. Net sales for the nine months ended December 31, 2017 at ₹ 3,746 Cr declined by 1% over the same period last year at ₹ 3,803 Cr.

Domestic sales in the current quarter at ₹ 899 Cr increased by 3% over the same quarter last year and 20% over the preceding quarter. Domestic sales for the nine months ended December 31, 2017 at ₹ 2,562 Cr grew 3% over the same quarter last year. Exports for the current quarter at ₹ 420 Cr declined 7% over the same quarter last year but increased by 13%

over the preceding quarter. Exports for the nine months ended December 31, 2017 at ₹ 1,184 Cr declined 10% over the same period last year.

Net profit before tax in the quarter ended December 31, 2017 is ₹ 220 Cr which is 10% lower as compared to ₹ 245 Cr recorded in the same quarter last year, but 12% higher as compared to ₹ 195 Cr recorded in the preceding quarter. Net profit before tax for the nine months ended December 31, 2017 declined 10% to ₹ 644 Cr as compared to ₹ 713 Cr in the same period last year (excluding the gain on sale of real estate of ₹ 56 Cr in this year).

The board declared an interim dividend of ₹ 5 per share (250 percent of share capital) in the meeting held today.

Rajiv Batra, Chief Financial Officer, Cummins India Limited, said,

“Domestic sales in the current quarter increased by 20% sequentially, as working with our customers, we successfully overcame the GST implementation issues that we had encountered in the preceding quarter. Supply issues which had also impacted our results in the last quarter, are now behind us.

We remain positive on the medium to long term outlook for domestic sales as the underlying demand conditions remain positive.

Export sales have improved this quarter, and have grown 13% sequentially, however a clear trend is yet to emerge on account of prevailing uncertainty in various economies through the world.

We believe there are varying degrees of recovery taking place in the global economy, commodity markets and geographies. This trend however is likely to only play out in the medium term.

We continue to be positioned to outperform in our industry and are investing judiciously in new products, increasing our customer focus, emphasis on cost reduction, and improving productivity and quality, and thus remaining strongly positioned to continue delivering value to all our stakeholders.”

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 Group 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, 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 \$19.1 billion Cummins Inc., Cummins in India is a Group of seven legal entities across 200 locations in the country with a combined turnover of ₹10,880 crores in 2016 and employing over 10,000 individuals.