



Ref: STEX/SECT/2020

January 28, 2020

The Relationship Manager, DCS-CRD BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001 BSE Scrip Code: 500480	National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai 400 051 NSE Symbol: CUMMINSIND
--	--

Subject: Press Release – January 28, 2020

Dear Sir/ Madam,

We are enclosing for your records a copy of the Press Release dated January 28, 2020 regarding unaudited financial results of the Company for the quarter and nine months ended December 31, 2019.

Kindly take this intimation on your record.

Thanking you,

Yours faithfully,
For Cummins India Limited

Hemiksha Bhojwani
Compliance Officer
ICSI Membership Number: A22170

Encl.: As above.

(This letter is digitally signed).



CONTACT:

Harmeet Mehra (Harmeet.mehra@cummins.com)

+91 98231-39900

Neha Patil (npatil@perflectrelations.com)

+91 96195-06683

January 28, 2020

Cummins India Limited Results for Q3 2019-20

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 nine months ended December 31, 2019.

Net sales of the Company for the quarter ended December 31, 2019 at ₹ 1,428 Cr, declined 2% as compared to ₹ 1,463 Cr recorded in the same quarter last year and grew by 11% compared to ₹ 1,285 Cr recorded in the preceding quarter. Net sales for the nine months ended December 31, 2019 at ₹ 4,029 Cr declined 4% over the sales of ₹ 4,211 Cr recorded during same period last year.

Domestic sales in the current quarter at ₹ 1,058 Cr increased 4% as compared to ₹ 1,022 Cr recorded during the same quarter last year and increased 12% as compared to ₹ 947 Cr recorded during preceding quarter. Domestic sales for the nine months ended December 31, 2019 at ₹ 2,995 Cr grew by 4% over the sale of ₹ 2,881 recorded during same period last year.

Exports for the current quarter at ₹ 370 Cr declined 16% as compared to ₹ 441 Cr recorded in the same quarter last year, however improved 10% over ₹ 337 Cr recorded in the preceding quarter. Exports sales for the nine months ended December 31, 2019 at ₹ 1,034 Cr declined 22% over the export sales of ₹ 1,330 Cr recorded during the same period last year.

Profit before tax (excluding exceptional items) during the current quarter at ₹ 254 Cr is 6% lower as compared to ₹ 270 Cr recorded during the same quarter last year and 21% higher as compared to ₹ 210 Cr recorded during the preceding quarter.

Ashwath Ram, Managing Director, Cummins India Limited, said:

In the domestic business, our distribution business had their best quarter in history, registering strong growth at 18% due to execution on certain contracts, while the Industrial business grew 8% led by the compressor and rail segments. Sales in the Powergen and Construction segments, continue to be impacted because of the slowdown in the Indian economy. This is primarily caused by constrained bank funding and delays in awarding of infrastructure projects. This scenario is likely continue for at least few more quarters and gradual revival may happen, as government measures to address these start to kick in and positively boost the economy.

Our confidence on the medium to long term outlook on domestic sales, especially from the infrastructure sector, is even higher as the allocations from the fiscal union budget work their way through this sector.

Export markets have continued to display softness in recent quarters, arising from global economic challenges. During this quarter we also experienced decline in certain markets within the global power generation business, where conditions deteriorated even further.

We executed on our cost optimization measures including zero based budgeting, to reduce our overall spend including on employment costs and have created an environment where people are conscious about every element of cost. These measures are being taken to help weather this slow demand cycle.

We continue to be positioned to outperform in our industry and are investing judiciously in product enhancements, increasing our customer focus, while maintaining strong controls on our cost of operations. Improving productivity and quality, are strong focus areas as we 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 \$23.8 billion Cummins Inc., Cummins in India is a Group of seven legal entities across 200 locations in the country with a combined turnover of over ₹16,000 crores in 2018 and employing over 10,000 individuals.