



Press release

Cummins inaugurates its Megasite; three plants launched

The three plants built on an investment of Rs. 500 crores are the first of several forthcoming facilities at the Megasite

January 14, Pune, 2011 - Cummins in India, the leading manufacturer of engines, generators and related technologies, inaugurated its 300-acre project at Phaltan today. The projects at this site that has been awarded 'mega project' status by the Government of Maharashtra, is designed to house ongoing and future expansions of the Cummins Group in India. Half of the acreage is set up as a Domestic Tariff Area and the other half as a Special Economic Zone for exports. The first three plants that were launched were the second manufacturing facility of Tata Cummins Limited producing engines for commercial vehicles, power generation and industrial markets, an engine rebuild center and a reconditioning facility for remanufacturing engines and components. The three new plants have been built on an investment of approximately Rs. 500 Crores

Owing to the scale of investments on its expansion projects, MOUs were inked in 2008 between the Government of Maharashtra and the Cummins Group, towards financial incentives as well as assistance and support in the establishment of the mega projects at Phaltan. With the inauguration of the Megasite, the Cummins Group has become the first anchor tenant at the MIDC promoted SEZ.

The Megasite was inaugurated at the hands of Shri. Sharad Pawar - Hon'ble Minister of Agriculture, Government of India, Shri. Prithviraj Chavan - Hon'ble Chief Minister of Maharashtra, Shri. Hassan Mushrif - Hon'ble Minister of Labour and Special Assistance, Smt. Supriya Sule - Hon'ble Member of Parliament, Shri. Ramraje Naik Nimbalkar - Hon'ble Minister of Water Resources, Krishna Valley Development Corporation, Mr. Tim Solso - Chairman and Chief Executive Officer of Cummins Inc. and Mr. Anant J Talaulicar - Managing Director of Cummins in India.

Mr. Tim Solso, Chairman and CEO, Cummins Inc. said at the inauguration, "Our association with India dates back nearly half a century. Particularly, over the last few years, our operations in India have expanded and grown multi-fold owing to several positive factors such as a rapidly growing economy, a vast talent pool and the investments we have been making in new products and services. Encouraged by these, the Megasite was conceived to house our future expansions. Furthermore, the concept of co-locating our businesses at a common campus offers the advantage of scale and greater synergy to our operations. We believe a project of the scale of the Megasite involving investments of approximately US\$300 million spanning the next few years, is a demonstration of our commitment to further strengthen our long and valued association with India."

On the occasion, Mr. Anant Talaulicar, Managing Director of Cummins Group in India said, "We have significantly and profitably grown our businesses in India over the last few years and we expect this positive trend to continue in future. The expansions will cater to the increasing market demands and ensure that we continue to serve our customers well. The project will continue to generate significant employment opportunities for locals, and help develop ancillary industries in the Phaltan-Baramati area. Consistent with our core values, we are working closely with the local community to develop skilled workforce by sponsoring the local ITI, forming relationships with the colleges in Baramati and adopting nearby villages. We are working with the Government to develop the infrastructure to sustain industrial growth in and around Phaltan and I am delighted to say that we have received great support in these



efforts. We are excited that besides supporting the Group's future growth plans, the Megasite is geared to play a pivotal role in bringing a positive difference in the lives of the residents of Phaltan and those in neighboring towns and cities."

About the Megasite

Over the last few years, the Cummins Group in India has been executing an aggressive growth plan involving all nine affiliated companies. The model of co-locating and operating from a single campus will offer significant synergies to the Cummins companies, besides reducing cost of operation owing to economies of scale. The second Tata Cummins Limited plant, The Cummins India Limited Rebuild Centre for High Horsepower engines and Cummins Technologies India Limited, ReCon plant are the first three of several forthcoming projects, to commence operations at the Megasite.

About Tata Cummins Limited

Tata Cummins Limited, one of the nine affiliated companies of the Cummins Group, is a joint venture between Cummins Inc. and Tata Motors Limited and was formed in 1993. The existing manufacturing plant of the joint venture at Jamshedpur produces the B series and ISB electronic engines for the commercial vehicle, power generation and industrial markets.

With the development of the road infrastructure and economic growth, the demand for engines meeting the newly regulated Bharat Stage III and Bharat Stage IV emissions standards is projected to grow significantly. The new plant at the Megasite will enable Cummins to meet this growing demand. The new plant will manufacture the B Series mechanical engine, a cost effective BS III compliant solution pioneered by Cummins for the Indian market and the ISB electronic engines for the BS IV norms and beyond.

The state-of-the-art facility set up over 25 acres of land has been designed to produce approximately 90,000 units annually, with extended capability of up to 120,000 units annually.

About HHP Rebuild Center

The Center will rebuild high horsepower engines from 19 liters (K19) up to 60 liters (QSK60 series) and also repair all other Cummins manufactured engine models. Built over 7 acres of land, the new, modular facility boasts of concepts such as lean manufacturing, state-of-the-art technology and processes that significantly improve engine rebuild and repair capabilities.

About ReCon India

The third facility, ReCon India introduces a relatively new concept of remanufacturing in India. The process of remanufacturing requires 85% lesser energy as compared to manufacturing the very same product from new parts. The ReCon India facility at the Megasite will offer professionally remanufactured, high quality engines and components built in accordance to stringent functional specifications of the original product. The business will offer the latest emissions capable products, covered under Cummins warranty.

About 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, including fuel systems, controls, 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 \$13.2 billion Cummins Inc., Cummins in India is a Group of nine legal entities



across 200 locations in the country with a combined turnover of approximately Rs. 8,500 crores and employing more than 11,000 individuals.