

Cummins India Limited

Registered Office: Kothrud, Pune 411 038 (INDIA)

NOTICE OF THE MEETING

To

The Members of Cummins India Limited

NOTICE is hereby given that the Fifty Second Annual General Meeting of Cummins India Limited will be held at Yashada, MDC Auditorium, Baner Road, Pune 411 007 on Thursday, the 1st day of August, 2013, at 12.00 noon, to transact the following business:

1. To receive and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2013 and the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To declare final dividend on equity shares and to ratify the interim dividend declared by the Board of Directors.
3. To appoint a Director in place of Mr. James Kelly, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajeev Bakshi, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Venu Srinivasan, who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS :

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:
“RESOLVED that Mr. Antonio Leitao, who was appointed as an Additional Director by the Board of Directors of the Company on August 2, 2012, pursuant to Article 110 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company”.
8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:
“RESOLVED that Mr. Prakash Telang, who was appointed as an Additional Director by the Board of Directors of the Company on January 31, 2013, pursuant to Article 110 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company”.
9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:
“RESOLVED that Mr. Edward Phillip Pence, who was appointed as an Additional Director by the Board of Directors of the Company on May 10, 2013, pursuant to Article 110 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company”.
10. To consider and, if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED that subject to approval of the Central Government, Mr. Anant J. Talaulicar be and is hereby re-appointed as Managing Director of the Company, pursuant to Section 269 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, for a period of five years commencing April 25, 2013 to April 24, 2018, on such terms as set out in the Explanatory Statement attached to the Notice convening this Annual General Meeting.”

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED that pursuant to Section 314 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Mr. Pradeep Bhargava, Alternate Director to Mr. Patrick Ward, to act as an advisor to the Company on a retainership basis on an aggregate remuneration not exceeding ₹ 40 Lacs for the period of 13 months commencing from April 1, 2013 until April 30, 2014 on such terms and conditions as set out in the explanatory statement attached hereto”.

By Order of the Board

Pune
May 10, 2013

Trivikram Guda
General Manager - Legal &
Company Secretary

NOTES :

- a. The information pursuant to Clause 49 of the Listing Agreement, in respect of Item nos. 3 to 5 and the Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 (Act), in respect of Special Business at Item nos. 7 to 11 of the Notice set out above is annexed hereto.
- b. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- c. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, July 27, 2013 to Thursday, August 1, 2013 (both days inclusive). If the final equity dividend as recommended by the Board of Directors is declared at the ensuing Annual General Meeting of the Shareholders of the Company, payment of such dividend will be made to those Shareholders whose names appear on the Register of Members and records of the Depositories respectively, as at the end of business hours on July 26, 2013.
- d. Members requiring information on the audited Statement of Profit and Loss for the year ended March 31, 2013 and the Balance Sheet as at that date are requested to write to the Company at least seven days before the date of the meeting to enable the Company to furnish the information.
- e. The Company has appointed Link Intime India Private Limited, Mumbai as its Registrar and Transfer Agent. All correspondence relating to transfer and transmission of shares, sub-division of shares, issue of duplicate share certificates, change of address, dematerialization of shares, payment of dividend etc. will be attended to and processed at the office of the Registrar and Transfer Agent at the following address :-

Link Intime India Private Limited
Unit: Cummins India Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai: 400 078
Phone No. : (022) 2594 6970
Fax No. : (022) 2594 6969
Contact person: Mrs. Maheshwari Patil
E-mail: maheshwari.patil@linkintime.co.in / rnt.helpdesk@linkintime.co.in

- f. Unclaimed dividends for the financial years 2005-06 and 2006-07 can be claimed from the Company by completing the requisite formalities. To claim final dividend for the financial year 2005-06 and interim dividend for the Financial year 2006-07, the requisite formalities are required to be completed prior to August 31, 2013 and February 28, 2014 respectively. Thereafter the unclaimed dividend for the said years is liable to be transferred to the Investor Education and Protection Fund established by the Central Government as per Section 205A of the Act. For details on unclaimed dividend(s), members are requested to write to Link Intime India Private Limited, Mumbai at the above address.
- g. The Company had on February 10, 1987, sub-divided each Equity Share of the face value of ₹ 100/- each into ten Equity Shares of the face value of ₹ 10/- each. Subsequently, on December 4, 2000, the Company sub-divided each Equity Share of the face value of ₹ 10/- each into five Equity Shares of the face value of ₹ 2/- each. The Company has in the past sent reminders to those Shareholders who have not claimed new certificates for sub-divided Shares of the face value of ₹ 2/- each. Shareholders who have not so far surrendered their old certificates in exchange for new certificates for sub-divided Shares of the face value of ₹ 2/- each, are requested to do so immediately.
- h. The Company on September 26, 2011, allotted Bonus shares in the ratio of 2:5. Shareholders holding shares in physical form who have not yet claimed the Bonus share certificates are requested to contact the Registrar and Transfer Agent of the Company immediately.
- i. The Company encourages members to intimate / update their e-mail addresses to receive the Annual Report and other communication electronically in support of the "Go Green" initiative of the Ministry of Corporate Affairs (MCA). Members may intimate / update their e-mail address by sending a mail to cumminsgogreen@linkintime.co.in with their name and folio details. Members holding shares in demat may please update their e-mails with the respective depository participant. The Company will send all communication including the Annual Report via e-mail to the members who have provided their e-mail addresses to the Company / Depositories. A copy of the Annual Report will be available on the Company's website www.cumminsindia.com. A printed copy of the report will be furnished free of cost upon receipt of a request for the same.

- j. The relevant documents as referred to in item no. 7, 8 and 9 of the Notice and the Explanatory Statement attached hereto will be kept open for inspection by the Members at the Registered Office of the Company on any working day (Monday to Friday) between 10.00 a.m. to 12.00 noon.

ANNEXURE TO THE NOTICE

Information as per Clause 49 of the Listing Agreement with the Stock Exchanges -

Item No. 3

Re-appointment of Mr. James Kelly

Mr. James Kelly joined the Board of Cummins India Limited on January 25, 2010. Mr. Kelly holds degrees in BA (History) from Middlebury College and Masters in Labour and Industrial Relations from Cornell University, U.S.A. His area of expertise includes Operations and Finance. He is a director of (i) Wabash National Corporation (ii) Dong Feng Cummins Engine Ltd. (iii) Komatsu Cummins Engine Company Ltd. and (iv) A.M. Castle Inc.

Mr. James Kelly does not hold any shares in the Company and is not related with any other Director of the Company.

Item No. 4

Re-appointment of Mr. Rajeev Bakshi

Mr. Rajeev Bakshi joined the Board of Cummins India Limited on October 20, 2000. Mr. Bakshi holds a B. A. (Economics) and a MBA from Indian Institute of Management (IIM), Bengaluru. He possesses expertise in marketing. His rich management expertise will add value to the Board. He is a Director in the following other Companies viz., (i) Marico Industries Limited (ii) JSL Stainless Limited (iii) Metro Cash & Carry Private Limited. He is also a member of the Audit Committee of the Company and Marico Industries Limited.

Mr. Rajeev Bakshi does not hold any shares in the Company and is not related with any other Director of the Company.

Item No. 5

Re-appointment of Mr. Venu Srinivasan

Mr. Venu Srinivasan joined the Board of Cummins India Limited on January 27, 2000. An Engineer from Madras University, Mr. Venu Srinivasan has also done MS (Management) from Purdue University, U.S.A. A recipient of the prestigious 'Padma Shri' adoration by Government of India, Mr. Srinivasan has also been conferred the 'Star of Asia' award by Business Week International, civilian honour "Order of Diplomatic Service Merit" by the President of the Republic of Korea for outstanding contribution in promoting Korea-India relations and holds a number of other distinguished recognitions and honors to his credit. He has rich experience in the Engineering field, Corporate Strategy and General Management. The Company stands to benefit significantly from his experience and expertise.

Mr. Srinivasan is on the Boards of the following other companies viz., (i) TVS Motor Company Limited (Chairman and Managing Director) (ii) Sundaram-Clayton Limited (Chairman and Managing Director) (iii) Harita-NTI Limited (Chairman) (iv) TVS Credit Services Limited (Chairman) (v) Lucas-TVS Limited (vi) T V Sundram Iyengar & Sons Limited (vii) Southern Roadways Limited (viii) Sundram Fasteners Limited (ix) Sundram Non-Conventional Energy Systems Limited (x) TVS Investments Limited (xi) TATA Coffee Limited (xii) Oriental Hotels Limited (xiii) TVS Energy Limited (xiv) TVS Lanka Private Limited (xv) TVS Motor (Singapore) Pte. Limited (xvi) Aga Khan Rural Support Programme (India). He is also a member of following Committees:

- Audit Committee of (i) T V Sundram Iyengar & Sons Limited, and (ii) Harita-NTI Limited.
- Investors Grievance Committee of (i) TVS Motor Company Limited, and (ii) Sundaram-Clayton Limited.

Mr. Venu Srinivasan does not hold any shares in the Company and is not related with any other Director of the Company.

Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 -

Item No. 7

Appointment of Additional Director

The Board of Directors appointed Mr. Antonio Leitao as an Additional Director with effect from August 3, 2012, under Article 110 of the Articles of Association of the Company. Under Section 260 of the Companies Act, 1956, Mr. Antonio Leitao holds office of the Additional Director till the date of the forthcoming Annual General Meeting. A notice has been received from a member, as required under Section 257 of the Companies Act, 1956, along with required deposit of ₹ 500, proposing Mr. Antonio Leitao as a candidate for office of the Director.

Mr. Antonio Leitao is a Bachelor of Science in Electrical Engineering and Masters in Business Administration. He possesses expertise in Sales and Marketing and has deep understanding of customer needs and channel dynamics in Power Products Business. He is a Director of Cummins Northeast LLC. Mr. Leitao is not holding any shares in the Company.

The shareholders' approval is solicited for the resolution at Item No. 7 of the accompanying Notice. Except Mr. Antonio Leitao, no other Director is concerned or interested in this resolution.

Item No. 8

Appointment of Additional Director

The Board of Directors appointed Mr. Prakash Telang as an Additional Director with effect from January 31, 2013, under Article 110 of the Articles of Association of the Company. Under Section 260 of the Companies Act, 1956, Mr. Prakash Telang holds office of the Additional Director till the date of the forthcoming Annual General Meeting. A notice has been received from a member, as required under Section 257 of the Companies Act, 1956, along with required deposit of ₹ 500, proposing Mr. Prakash Telang as a candidate for office of the Director.

Mr. Prakash Telang is a Bachelor of Mechanical Engineering and a Masters in Business Administration from IIM – Ahmedabad. He possesses expertise in Automobile and manufacturing industry. He is a Director of (i) Tata Hitachi Construction Machinery Limited, (ii) Tata Advanced Systems Limited, (iii) Persistent Systems Limited, (iv) Tata Lockheed Martin Aerostructures Limited, (v) Tara Aerospace Systems Limited and (vi) SKF India Limited. Mr. Telang holds 1400 equity shares of ₹ 2/- each in the Company.

The shareholders' approval is solicited for the resolution at Item No. 8 of the accompanying Notice. Except Mr. Prakash Telang, no other Director is concerned or interested in this resolution.

Item No. 9

Appointment of Additional Director

The Board of Directors have appointed Mr. Edward Phillip Pence as an Additional Director with effect from May 10, 2013, under Article 110 of the Articles of Association of the Company. Under Section 260 of the Companies Act, 1956, Mr. Edward Phillip Pence holds office of the Additional Director till the date of the forthcoming Annual General Meeting. A notice has been received from a member, as required under Section 257 of the Companies Act, 1956, along with required deposit of ₹ 500, proposing Mr. Edward Phillip Pence as a candidate for office of the Director.

Mr. Edward Phillip Pence is a Bachelor of Arts in English and Communications and has pursued Executive Programme from Stanford University. He possesses expertise in Automotive Business and Automotive Field Marketing. He is the Chairman of Cummins Westport Inc. and Director in (i) Cummins Southern Plains Inc. and (ii) Xi'an Cummins Engine Company. Mr. Pence is not holding any shares in the Company.

The shareholders' approval is solicited for the resolution at Item No. 9 of the accompanying Notice. Except Mr. Edward Phillip Pence, no other Director is concerned or interested in this resolution.

Item No. 10

Re-appointment and remuneration of Mr. Anant J. Talaulicar as Managing Director

Mr. Anant J. Talaulicar was appointed as the Managing Director of the Company for a period of 5 years effective until April 25, 2008 and subsequently re-appointed for a further period of five years until April 24, 2013. During the past ten years, Mr. Talaulicar has

made significant contribution to the Company's growth and in planning and implementing the Company's business strategies.

Mr. Anant J. Talaulicar is a Mechanical Engineer from Mysore University, M. S. from Michigan University, U.S.A. and M.B.A. from Tulane University, U.S.A. Mr. Anant J. Talaulicar possesses expertise in Finance, Manufacturing, Product Management, Strategy and Marketing. He is on the Boards of the following other Companies, viz., (i) Cummins Generator Technologies India Limited, (ii) Tata Cummins Limited (Managing Director), (iii) KPIT Cummins Infosystems Limited, (iv) Valvoline Cummins Limited, (v) Cummins Research and Technology India Limited, and (vi) Cummins Technologies India Limited.

The Board of Directors of the Company at their meeting held on January 31, 2013 and May 10, 2013, have approved re-appointment of Mr. Anant J. Talaulicar as Managing Director of the Company for a period of five years from April 25, 2013 to April 24, 2018, subject to approval of the Central Government and the Shareholders. Mr. Talaulicar has been working with Cummins Inc. U.S.A. for about 17 years prior to being deputed to India in 2003 and continues to draw salary from Cummins Inc., U.S.A. The Board of Directors approved the following remuneration payable by the Company to Mr. Talaulicar as Managing Director for the above mentioned period:

1. Salary: Consolidated Salary - ₹ 1,001/- per month.

In addition to salary, Mr. Anant J. Talaulicar will be entitled for the following perquisites:

2. Housing and other benefits :

- a) Fully furnished accommodation at Pune and Mumbai. If the same is taken on rent, the actual rent / license fees paid shall not exceed ₹10,00,000/- per month.
- b) Gas, Electricity & Water at actual at Pune and Mumbai.
- c) Domestic help at Pune and Mumbai accommodation.

3. Medical Benefits : Reimbursement of Medical Expenses, for self and family. (Family includes spouse, dependent children and parents).

4. Club Fees: Fees of any two clubs, one at Pune and another at Mumbai (excluding life memberships).

5. Uniform: Uniform and shoes, as applicable to the employees of the Company.

6. Free use of Car : One car each with driver for Company's business at Pune and Mumbai.

7. Communication facilities at Residence : Telecommunication facilities and computers with modems and other hardware at Pune and Mumbai residence.

Such of the above benefits, as are in the nature of perquisites, will be valued as per Income Tax Rules in force from time to time.

8. Minimum Remuneration:

The above remuneration shall be subject to limits laid down under Sections 198 and 309 of the Companies Act, 1956 or any statutory modifications and / or re-enactment thereof.

In the absence or inadequacy of profits, in any year, the remuneration payable to Mr. Anant J. Talaulicar by way of salary, allowances and perquisites shall not exceed the limits prescribed under Schedule XIII of the Companies Act, 1956 and rules made thereunder or any statutory modifications and / or re-enactment thereof.

Mr. Talaulicar does not hold any shares in the Company and is not related with any other Director of the Company.

Except Mr. Anant J. Talaulicar, no other Director is concerned or interested in this resolution.

Item No. 11

Appointment of Mr. Pradeep Bhargava, Alternate Director, on retainership basis

Mr. Pradeep Bhargava is a B.Sc. (Honors), B.E. Electronics and MBA from Indian Institute of Management, Ahmedabad. Mr. Bhargava, a veteran in the Industry, has held responsible positions in both Private and Public sector organizations such as Indian Space Research Organization, BHEL, Kalyani Group, General Electric, etc. Mr. Bhargava has been associated with Cummins in India over a decade now.

Mr. Bhargava currently is a member of the National Council and his contributions to CII since 2004 have been significant. Mr. Bhargava is an active participant in Industry Forums, Educational Institutions as well as various platforms of Civic Society.

On account of his varied experience and inclination to drive corporate responsibility activities, giving effect to affirmative action and promoting education and talent management across the industry, your Board of Directors at their meeting held on May 10, 2013 have recommended appointment of Mr. Pradeep Bhargava, Alternate Director to Mr. Patrick Ward, Director of the Company, on retainership basis for a period of 13 months w.e.f. April 1, 2013 on an aggregate fees not exceeding ₹ 40,00,000/- [Rupees Forty Lacs only].

On account of Mr. Pradeep Bhargava being an Alternate Director to Mr. Patrick Ward and also having agreed to render professional services to the Company, the said arrangement would attract the provisions of Section 314 of the Companies Act, 1956 and would require shareholders' approval at the ensuing Annual General Meeting.

Mr. Bhargava does not hold any shares in the Company and is not related with any other Director of the Company.

Except Mr. Pradeep Bhargava, no other Director is concerned or interested in this resolution.

The shareholders' approval is solicited for the resolution at Item No. 11 of the accompanying Notice as a Special Resolution.

By Order of the Board

Pune
May 10, 2013

Trivikram Guda
General Manager - Legal &
Company Secretary