Power to Lead with Purpose

Power Onward™



CUMMINS INDIA LIMITED

ANNUAL REPORT 2025-2026

ABOUT THE COVER:

At Cummins India Limited, leadership is defined not only by performance, but also by the purpose that guides us and the impact we create. The cover brings to life this year's theme, **"Power to Lead with Purpose,"** through a mosaic of the industries, technologies and people that shape our journey.

From construction, shipping, railways and power generation to innovation, sustainability and inclusion, each panel reflects our commitment to powering progress responsibly and creating lasting value.

Together, these elements represent the scale of our operations, the strength of our innovation and the dedication of our people. With over six decades of trusted leadership in India, the cover symbolizes our commitment to growth that is purposeful, resilient and built to last.

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Chairperson's letter



> We remain committed to ensuring our progress delivers lasting outcomes for our customers, communities and the environment.

Dear Valued Shareholders,

At Cummins India Limited, reimagining energy means developing and delivering the technologies and solutions that best support our customers wherever they are on that journey - today and into the future.

India stands at the edge of transformation, with momentum building across infrastructure, industry and energy. As the nation works toward realizing the vision of Viksit Bharat, the need for dependable, efficient and sustainable power solutions grows. At Cummins India Ltd., we are proud to play a meaningful role in contributing to this journey.

We are driven by our purpose of powering a more prosperous world, which guides how we operate, grow and create meaningful impact for all our stakeholders and communities.

This year's theme, "Power to Lead with Purpose," reflects our belief that long-term growth must be responsible, resilient and sustainable. It reinforces our commitment to integrating environmental responsibility,

climate action, ethical governance and community impact into how we operate, innovate and grow.

I want to express my sincere gratitude to our shareholders, customers, partners and employees for their continued trust and support. Your confidence in Cummins India Ltd. and our shared commitment to our mission and values have been fundamental to our growth.

Over the past year, we have made steady progress across our business, propelled by strong execution, a resilient operating model and a deep focus on customer needs. Despite a dynamic and evolving global environment, we remained committed to delivering, while strengthening our foundation for the future.

The global business environment is evolving in many different ways. Geopolitical tensions are reshaping global trade, economic uncertainty and policy shifts across markets are creating pressure on supply chains, input costs and demand visibility. The realignment of global supply chains is reshaping the rules of international commerce. These are not peripheral concerns. They are defining features of the operating environment in which we must lead.

At Cummins India Limited, we do not approach this complexity with apprehension. We approach it with clarity, discipline and confidence grounded in a strong foundation.

We have deepened the resilience of our supply chain, strengthened operational flexibility and invested in customer partnerships that allow us to anticipate and respond to shifting needs with speed and precision.

As we advance from strong performance to long-term value creation, our focus is on reimagining energy through innovation and delivering these solutions at scale.

By leveraging our engineering expertise, strengthening manufacturing and supply chain capabilities, and accessing advanced and future-ready technologies, we are translating innovation into real-world impact across the sectors we serve.

At Cummins India Ltd., responsible growth remains central to how we operate, innovate and create long-term value. Sustainability remains deeply embedded across our business. We are advancing our efforts toward decarbonization while enabling our customers to transition to cleaner, smarter and more efficient power solutions.

We are focused on reducing our environmental footprint, optimizing resource use and strengthening our governance practices. Operating ethically and responsibly remains fundamental to who we are.

Our progress is also shaped by our commitment to people and communities. We foster an inclusive culture where individuals are empowered to contribute, grow and lead, while diverse perspectives strengthen our ability to innovate and solve complex challenges.

Looking ahead, we remain focused on strengthening capabilities, deepening partnerships and delivering long-term value. As India's energy landscape evolves, we see significant opportunities to drive innovation and deliver smarter and cleaner power solutions.

We remain committed to ensuring our progress delivers lasting outcomes for our customers, communities and the environment.

The path ahead will require agility, collaboration and disciplined execution. At Cummins India Ltd., we are confident in our ability to navigate this journey, guided by our ethos and inspired by the trust of our stakeholders.

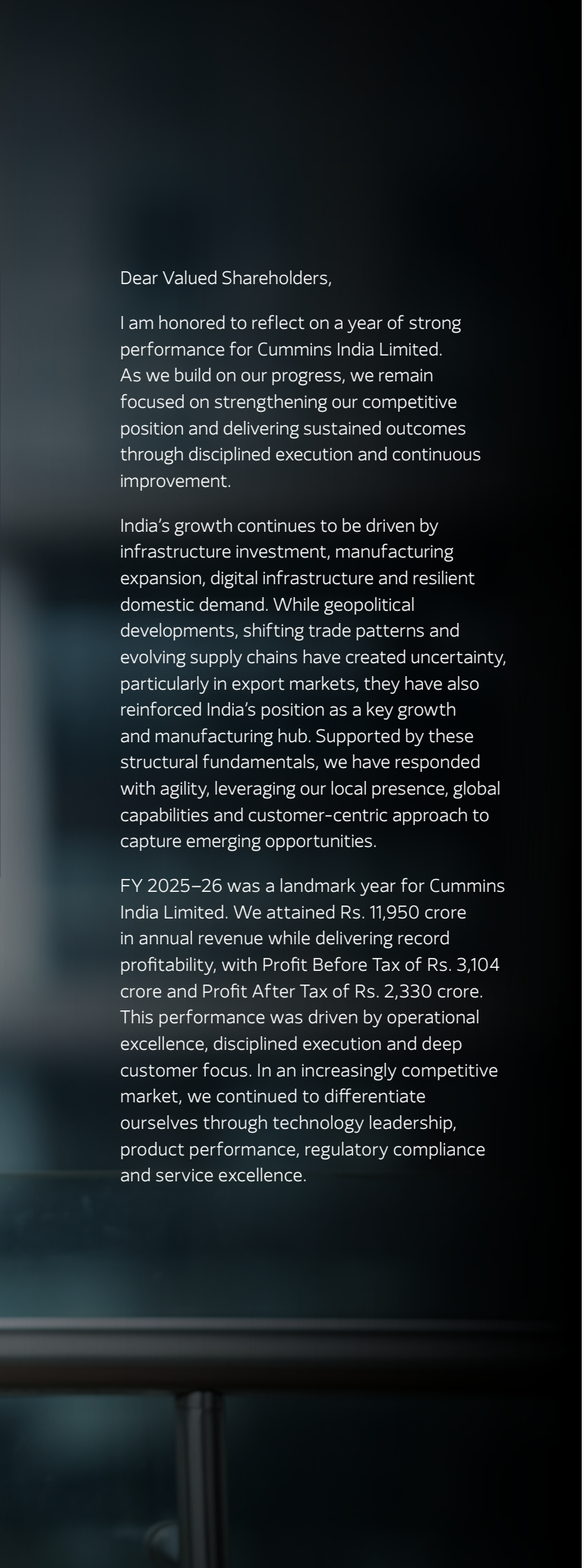
I would like to thank our teams for their dedication and our stakeholders for their partnership. Together, we remain committed to shaping a future that is more sustainable, resilient and prosperous for generations to come.

Thank you,
Jennifer Mary Bush
Chairperson, Cummins India Limited
DIN: 09777114

Managing Director’s letter



As we look ahead, we remain confident in our path forward, guided by strong capabilities, trusted partnerships and a relentless focus on execution.



Dear Valued Shareholders,

I am honored to reflect on a year of strong performance for Cummins India Limited. As we build on our progress, we remain focused on strengthening our competitive position and delivering sustained outcomes through disciplined execution and continuous improvement.

India's growth continues to be driven by infrastructure investment, manufacturing expansion, digital infrastructure and resilient domestic demand. While geopolitical developments, shifting trade patterns and evolving supply chains have created uncertainty, particularly in export markets, they have also reinforced India's position as a key growth and manufacturing hub. Supported by these structural fundamentals, we have responded with agility, leveraging our local presence, global capabilities and customer-centric approach to capture emerging opportunities.

FY 2025–26 was a landmark year for Cummins India Limited. We attained Rs. 11,950 crore in annual revenue while delivering record profitability, with Profit Before Tax of Rs. 3,104 crore and Profit After Tax of Rs. 2,330 crore. This performance was driven by operational excellence, disciplined execution and deep customer focus. In an increasingly competitive market, we continued to differentiate ourselves through technology leadership, product performance, regulatory compliance and service excellence.

Our performance reflects the spirit of our theme, "Power to Lead with Purpose," as we strengthened manufacturing excellence, enhanced supply chain responsiveness and deepened customer engagement while delivering strong business results.

Customer expectations are evolving toward more dependable, compliant and digitally enabled solutions that deliver performance and lifecycle value. In response, we are investing in engineering capability, advanced and multi-pathway technologies, digital enablement and talent to strengthen our ability to develop and deliver solutions that support the energy transition while contributing to India's vision of Viksit Bharat.

Sustainability remains integral to how we operate and grow. We are focused on delivering compliant, lower-emission and fuel-efficient solutions, improving resource efficiency across our operations and advancing practical decarbonization pathways. Supported by a strong focus on safety, governance and ethical conduct, we believe business performance and sustainability must advance together.

As we look ahead, we remain confident in our path forward, guided by strong capabilities, trusted partnerships and a relentless focus on execution.

I thank our customers, partners, employees and shareholders for their continued trust and support. Together, we will continue to create lasting value and shape a more sustainable future.

Shveta Arya
Managing Director, Cummins India Limited

About Cummins India Limited

NET SALES (Rs Crore)

11,950

FOUNDED IN

1962

WHO ARE WE

We are a company that provides parts and services for generator sets and related technologies through the Power Systems Business Unit (PSBU) and Distribution Business Unit (DBU).



PARTS DISTRIBUTION CENTER

1



HEADQUARTERS

Cummins India Office Campus, Pune

4S[1] TOUCHPOINTS

480+

GENDER DIVERSITY

23%

PERMANENT EMPLOYEES AND WORKERS

3,088





RETAIL TOUHPOINTS

110+

WORLD-CLASS FACTORIES

4

[1]4S: Sales, spares, service and surveys

We serve markets in **India, Bhutan and Nepal** while exporting our products to various countries across the globe, including **America, Europe, Mexico, Africa, the Middle East and China, being the top destinations.**

Cater to end markets such as construction, compressor, mining, marine, railway, oil and gas, pumps, defense and power generation.

PRINCIPLES OF SUSTAINABILITY DEMONSTRATED BY ALL FACTORIES AND OFFICES

Safe | **Clean** | **Diverse** | **Lean** | **Green**



Our Story

POWER TO LEAD WITH PURPOSE

Every chapter of Cummins India Limited's story is guided by a simple belief that leadership is measured not only by performance, but by the impact we create. For over six decades, our journey has been defined by innovation, dependability and a deep sense of purpose for people, communities and the planet.

This approach defines how we think, act and lead. The same belief is seen across our technologies, operations and partnerships, and in our pursuit of a cleaner, smarter and future-ready world.

As we look ahead, we remain committed to leading with integrity, growing with accountability and creating lasting value for all those who depend on us.

Because true leadership is powered by purpose.

OUR MISSION

Making people's lives better by powering a more prosperous world

OUR VISION

Innovating for our customers to power their success

OUR PROMISE

Powering our customers through innovation and dependability

OUR VALUES

Caring

Demonstrating awareness and consideration for the wellbeing of others

Diversity & Inclusion

Valuing and including our differences in decision making is our competitive advantage

Integrity

Doing what you say you will do and doing what is right

Teamwork

Collaborating across teams, functions, businesses and borders to deliver the best work

Excellence

Always delivering superior results

PILLARS WE STAND ON

- **Always trusted**
- **Always innovating**
- **Always customer-driven**
- **Always responsible**

Financial performance 2025-2026

FY 2025–26 concluded with record revenue and profitability, driven by strong domestic demand, operational discipline and sustained execution of Cummins India Limited's profitable growth strategy.

Revenue from the sale of products and services

Rs Crore

11,950

% Var

18%

FY26 11,950

FY25 10,166

Domestic sales

Rs Crore

9,961

% Var

19%

FY26 9,961

FY25 8,395

Export sales

Rs Crore

1,989

% Var

12%

FY26 1,989

FY25 1,771

Profit before exceptional items and tax

Rs Crore

3,104

% Var

24%

FY26 3,104

FY25 2,496

Net cash generated from operations

Rs Crore

1,734

% Var

3%

FY26 1,734

FY25 1,687

Awards and recognitions

Innovation, dependability and responsible growth remain central to how we power progress across industries and communities. Over the years, these efforts have been recognized through awards that reflect our engineering excellence and manufacturing capabilities. This celebrates our commitment to building an inclusive and future-ready workplace culture that is aligned with the evolving expectations of stakeholders.



Diversity, Equity, Inclusion and Culture (DEIC): Cummins India Limited was recognized as a Gold Employer in the India Workplace Equality Index (IWEI) 2025 for the third consecutive time



Kothrud Engine Plant received the Aatmanirbhar Factory Award from the International Research Institute for Manufacturing (IRIM), India



Recognized among the **Top 10 Supply Chain Planning Companies** for Outstanding Contribution to Integrated Business Planning by the **Institute of Supply Chain Management**



Quality Excellence team won Confederation of Indian Industry (CII) **Award for empowering Women in STEM**



The High Horsepower Rebuild Center Plant Team won a Gold and two Silver awards at the **Quality Circle Forum of India**, Pune



Won 2 Platinum and 1 Gold Award at **50th CII National Kaizen Competition**, Chennai



Awarded for **best performance in Service and Delivery** at the **XCMG India Annual Supplier Conference 2024**



Recognized by **HD Hyundai Construction Equipment India** for driving aftermarket business growth and setting new sales records



Recognized for outstanding performance in **Quality** at the **SANY India Annual Supplier Conference 2024**



Received **'Long Term Strategic Partnership'** award from **Tata Hitachi**

With Power Onward™ as our driving force, we strengthen our position as a trusted technology- and people-led organization delivering long-term value through innovation, operational excellence and purposeful impact.

Responsible today, impactful tomorrow

FY 2025–26 was a year of execution, innovation and growth. Together with our OEMs, channel partners and communities, we delivered measurable outcomes across key markets.

Industrial business

We expanded our footprint across industrial segments through landmark wins, strong execution and investments in next-generation technologies.

RAILWAYS

ON TRACK, AHEAD OF SCHEDULE

Record revenue was registered for Rail in FY 2025–26, driven by robust demand for Diesel Electric Tower Cars (DETCs), Power Car diesel alternator sets and engines for Track Maintenance Machines.

- Delivered complete propulsion packages for DETCs and sustained high volumes of CPCBIV+ compliant diesel alternator sets and associated systems for Power Car applications in passenger coaches
- **Secured a developmental order for propulsion systems for High-Speed Self-Propelled Accident Relief Trains (HSSPART),** expanding presence in the electrified rail segment
- Successfully tested and supplied 40 kVA underslung Diesel Alternator sets for Self-Propelled Inspection Cars (SPICs), with serial production approvals secured for Hotel Load Converters (HLCs)
- Secured multi-year orders for Track Maintenance Machine engines, reflecting Indian Railways' sustained investment in track modernization and maintenance infrastructure

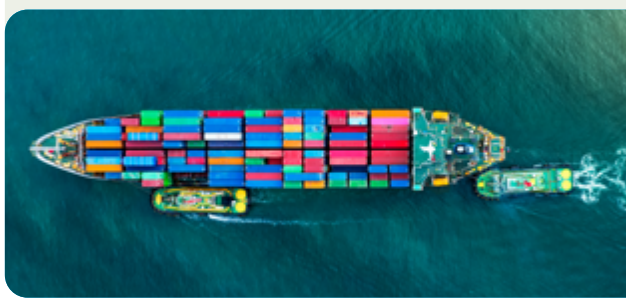


MARINE

CHARTING NEW WATERS

Recorded the highest-ever annual sales in the marine segment, driven by robust execution of complex projects for both government and commercial shipyards, with order intake also at a record high.

- Secured and delivered complex projects with engines and generator sets for Green Tugs, Multi-Purpose Vessels, New Generation Offshore Patrol Vessels, Ocean Research Vessels, Fleet Support Ships and Submarine applications
- Growing presence in both propulsion and high-capacity power generation solutions positions us as a preferred technology partner to India's leading shipyards



MINING

DIGGING DEEPER, DELIVERING MORE

- **Expanded footprint in the Heavy Earth Moving Machinery (HEMM) segment,** securing key orders from large mining OEMs in surface mining, dump trucks, excavators, motor graders, dozers and stone crusher applications
- Innovated in fit-for-market technologies for higher-capacity dump trucks (>190 tons) and readiness for future emission norms (CEMM), alongside accelerated growth in underground mining truck platforms
- Made significant inroads into domestic and international markets through an expanded product portfolio and stronger OEM partnerships



DEFENCE

BUILT FOR THE NATION

- **Strengthened capabilities across key defence mobility platforms** in both wheeled and tracked applications, securing new orders for specialized vehicle applications from defence OEMs
- **Prototype engine for a strategic defence segment program completed field trials,** positioning us for multi-platform deployment in the medium term
- Well-positioned to benefit from the Government of India's focus on indigenous defence manufacturing and increasing share of domestic content in defence equipment



PUMPS

PRECISION-ENGINEERED FOR PRESSURE

- Successfully expanded our product portfolio with high-speed FM/UL-certified engines in the High Horsepower (HHP) range, opening domestic and international growth opportunities with leading OEMs
- Pursuing selective growth opportunities aligned with evolving market dynamics and demand conditions



OIL AND GAS

FUELING STEADY MOMENTUM

- Continued supply of gas compression engines to leading OEMs, driven by strong momentum in City Gas Distribution (CGD) network expansion, reinforcing our position as a preferred supplier in this segment



Power generation

In FY 2025–26, we delivered market-ready, emission-compliant solutions across India and key international markets, powering progress.

DELIVERED

26,000+

generator sets across India, with strong adoption across key geographies and data center-specific product categories

LAUNCHED A SUPER COMPACT

82.5 kVA

genset powered by the X3.7 engine, enhancing the product offering for emerging commercial and residential applications

Expanded the GOEM dealer network

FY 2024–25 → **FY 2025–26**

117 → 133

improving product accessibility for customers nationwide

Achieved successful market adoption of CAQM-compliant products, with strong uptake across the Delhi NCR region and beyond

Continued execution of large orders for multiple hyperscale data centers coming up in India, leveraging a tailored portfolio built for high-reliability and uptime requirements

EXPORTS: POWERING GROWTH ACROSS GEOGRAPHIES

FY 2025-26 witnessed sustained strong demand in PowerGen exports

High Horsepower PowerGen products led the charge, with strong demand from the realty and manufacturing segments driving volume growth. We deepened our presence in Africa, the Middle East and Europe through low-horsepower solutions

New product introductions reinforced this momentum. The 500 kVA emissionized genset, introduced for the Chile market, marked our entry into a new regulated geography

The rollout of 38L and 50L uprated electronic engines extended reach further into North and Central America, while fit-for-market low kVA gensets opened doors in unregulated Latin American markets

Underpinning this progress was a sharper approach to customer engagement, with channel synergies leveraged across Latin America, Asia Pacific, Africa and the Middle East.

Engine Business

FY 2025–26 was a year of purposeful progress for Cummins India Limited's Engine Business. Building on the successful transition of the wheeled application segment to CEV BS V emission norms, the business continued its growth trajectory while ensuring seamless continuity for OEM partners.

Commercial momentum remained strong, with new business secured from both existing and new OEM partners, driven by growing traction in electronic engine platforms. Recognition from leading OEM partners during the year further affirmed the trust we have built through consistent quality, performance and long-term partnership.

Distribution Business

Powered by a growth mindset, the Distribution Business Unit (DBU) delivered exceptional performance in FY 2025–26, elevating service capabilities, launching innovative products and reinforcing our reputation as a trusted partner across every segment we serve.



For the first time, **we provided total aftermarket support,** covering the complete supply, installation and commissioning of a repowered engine for a prestigious defence project



The Cummins Technical Training Center in Phaltan hosted the first-ever global training batch for Cummins Arabia, marking a milestone in cross-border collaboration and technical capability development

SERVICE: WHERE TRUST IS EARNED EVERY DAY

90%

Highest-ever Net Promoter Score (NPS) achieved globally, testament to unmatched customer loyalty and service excellence

877,569

Total service orders in FY 2025–26

86

Women engineers trained under the Women's Dealer Electrical Engineer program across 5 batches, driving inclusion



62

Candidates trained under SLDP/JLDP programs for Service Managers and Technicians, strengthening leadership

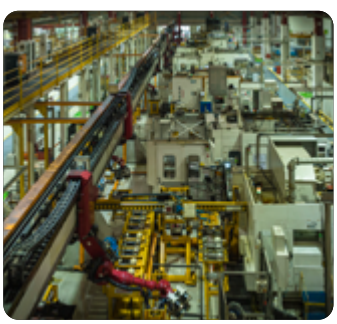
Demonstrated unwavering support toward defence and railway personnel to ensure uninterrupted operations near Indian borders during heightened conflict, restoring power across defence bases, railway control centers, hospitals and telecom sites under extreme conditions

Delivered exceptional support during the 1st ODI match between India and South Africa, recognized for going above and beyond

SALES: PARTNERSHIPS THAT POWER PROGRESS



Successfully piloted a variable-speed Dual Fuel (DF) Kit in the mining segment, resulting in stronger customer engagement and ongoing field trials



Installed Battery Energy Storage Solution (BESS) at Cummins Master Rebuild Center, Phaltan, supporting Balance of Plant testing and driving customer engagement through proof of concept

Secured a significant order for the pre-inspection, transportation, repair/rewinding and overhauling of

30 TRACTION ALTERNATORS FOR 1400 HP DEMUS

Signed comprehensive maintenance contracts and secured a major order, reinforcing our strong capabilities and credibility in railways while creating a strategic stepping stone for expansion into advanced and emerging technologies

Received our first-ever order for a CPCB IV+ DA Set to repower non-emission-compliant Power Cars. The retrofit enhances CIL's aftermarket strength, enabling the replacement of engines from other manufacturers and positioning us as a trusted partner in the railway sector

Agreement signed in Ahmedabad for backup power support provided to the entire west zone command center

3-YEAR AMC FOR A 2080 kVA GENSET

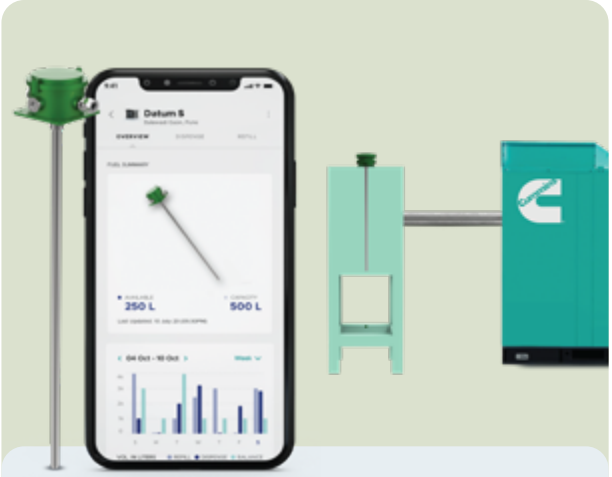
We **expanded our share of wallet in the agriculture sector** through continuous engagement, driving record engine sales in FY26

PRODUCT LAUNCHES: INNOVATING FOR THE REAL WORLD



BATTERY ENERGY STORAGE SYSTEM (BESS)

A cutting-edge solution engineered to support grid resilience, renewable integration and energy transition



DATUM S

A versatile sensor delivering real-time, high-precision fuel tracking and seamless data transmission to IoT-connected devices

Introduced approximately **10 new product categories in the On-highway aftermarket,** expanding the Cummins portfolio and delivering fit-for-market solutions

Appointed a channel partner outside the Cummins fraternity for the first time in nearly four decades — Island Prime Power Pvt. Ltd., based in the Andaman and Nicobar Islands

Honored to support a prestigious defence project, contributing to India's air defence capabilities through reliable Cummins-powered gensets

FIRST EVER

- **Achieved Product Carbon Footprint (PCF) certification for the K50** G3 rebuild engine, awarded by Bureau Veritas India, confirming its status as an eco-friendly alternative to new engines

LAUNCHED

- **Agent Force, an AI tool** that enables Key Account Managers and field teams with AI-driven customer and asset summarization, delivering a 360° view of customer engagement and actionable service recommendations
- Springboard India cohort under the She In Aftermarket (ShIft) initiative, empowering women across the aftermarket ecosystem

Quality and manufacturing excellence

In FY 2025–26, we advanced our Industry 4.0 strategy, deepened supply chain resilience and delivered sustained cost efficiency, all anchored in a Zero-Defect Mindset and a culture of disciplined execution.

AUGMENTING SUPPLY CHAIN RESILIENCE THROUGH DIGITALIZATION:

SMARTER SYSTEMS, STRONGER SUPPLY CHAINS

- **Successfully launched the India Logistics Center (ILC), a third-party managed warehouse at Phaltan, in June 2025,** and delivered it in a record 12 months with streamlined operations live from Day 1
- Upgraded demand planning systems using advanced data analytics; deployed descriptive analytics models to optimize inventory management across the supply chain
- **Implemented RFID digital tracking** to improve vehicle visibility and Turnaround Time (TAT) insights; deployed premium freight analytics tools to identify cost-saving opportunities
- Deployed Electronic Quality Management System (eQMS) across all sites in the India region, driving QMS integration and enabling system-wide quality governance
- Onboarded 25 Quality Control Orders (QCOs) on an internally developed BIS QCO Governance & Automation IT solution, ensuring compliance with Bureau of Indian Standards requirements
- **Hosted ELEVATE 2025,** a flagship supply chain innovation event, to trigger futuristic supply chain initiatives



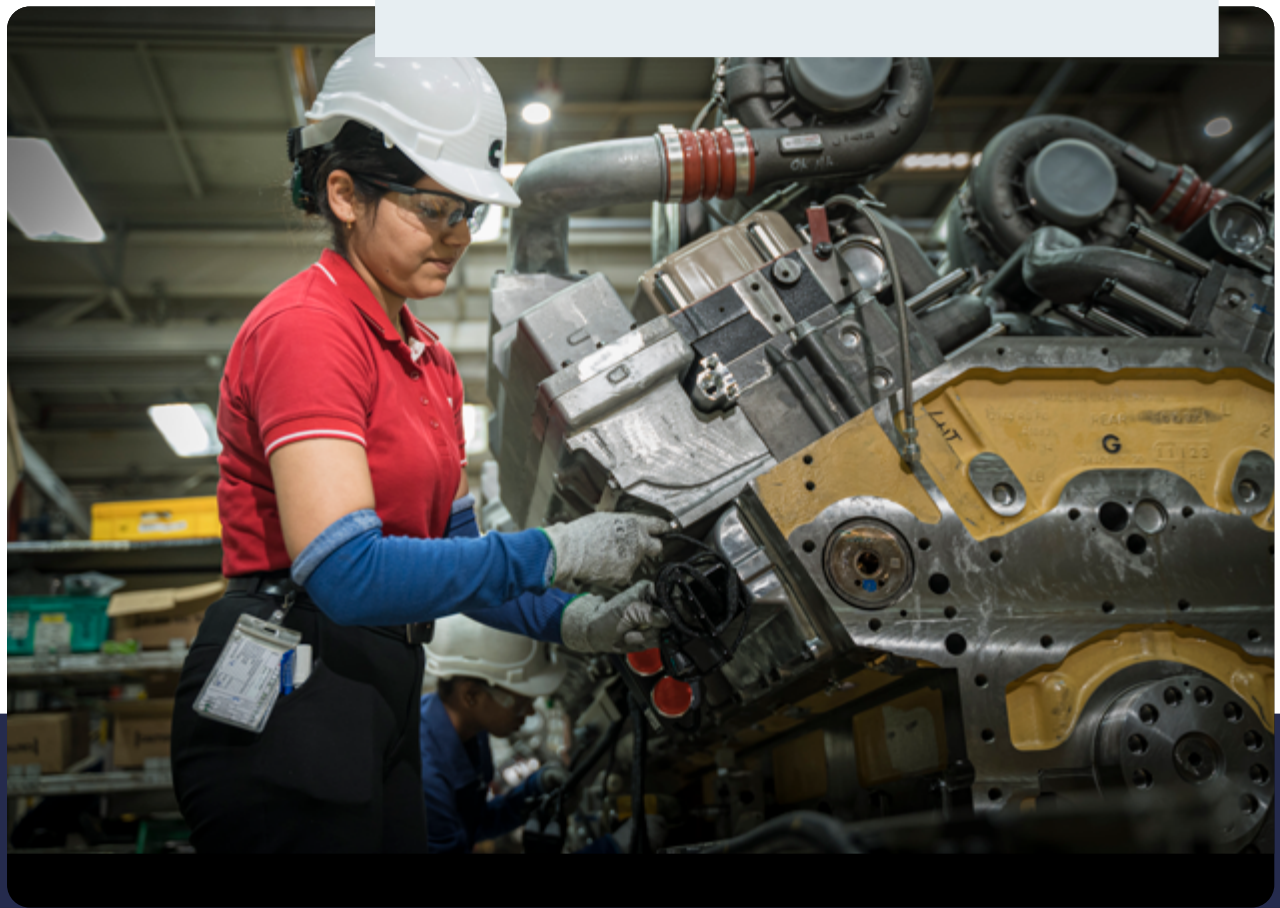
ACHIEVING OPERATIONAL EXCELLENCE

PRECISION IN EVERY PROCESS

- Continued to advance Industry 4.0 strategy across manufacturing plants, delivering real-time insights into value chain losses and lowering manufacturing overheads
- **Maintained a Zero-Defect Mindset (ZDM)** across the CPCBIV+ portfolio, ensuring safe processes and a “right first time” approach for every unit delivered
- **Successfully inaugurated the Front-Line Leader Capability Development Program (FLLCDP)** at the Megasite Training Center, Phaltan, with 100+ members participating from HSE, Quality, Operations Excellence and Operations functions

DRIVING COST EFFICIENCY ACROSS THE SUPPLY CHAIN

- Cross-functional teams collaborated to identify cost reduction opportunities, delivering substantial savings in direct material, indirect material, manufacturing overhead costs and warranty costs
- Established enterprise risk management processes across the value chain and advanced Cummins India Limited's Destination Zero™ Strategy with clear roadways toward environmental goals



Engineering and Technical Capabilities

Cummins India Limited's engineering and technical capabilities continue to advance digitally enabled, analysis-led product development focused on performance, reliability, emission compliance and market adaptability.

Through advanced simulation, digital modeling and validation capabilities, engineering teams are accelerating development cycles, improving testing efficiency and strengthening technical productivity across platforms.

These efforts support the development of future-ready, fit-for-market solutions aligned with evolving customer expectations, application requirements and global emissions standards.

NEW PRODUCT DEVELOPMENT

NEW HORIZONS

Product Development:
Developed a horizontal engine for the High-Speed Accident Relief Train (HS SPART) application, supporting specialized rail mobility requirements through application-focused engineering.

Power Solutions:
Developed a large-sized 95L product for marine power generation applications for a fleet support ship.

NEW CATEGORY WITHIN THE EXISTING PRODUCT PORTFOLIO

CPCBIV+ Product Expansion:
Certified and launched the 82.5 kVA CPCBIV+ norm-compliant product, powered by the X3.7 platform.

Export-ready Euro Stage V Compliant Products:
Introduced a new product line for the European Union market compliant with stringent Euro Stage V emission norms, with exports successfully commenced.

NEW MARKETS

LATAM Market Development:
Completed development work for the QSM15 Chile Phase II program for the LATAM region, leveraging CPCBIV+ architecture.

Fit-for-Market Export Solutions:
Developed fit-for-market solutions aligned with evolving export emission requirements across global markets.

ENHANCED CAPABILITIES

Enhanced Validation Capabilities:
Upgraded the genset test facility with advanced safety standards and integrated controls to support extensive development and validation requirements.

Global Manufacturing Support:
Introduced a new bench testing rig for cylinder block buster testing, supporting development validation of India-manufactured blocks for global applications.

Our engineering efforts remain focused on powering dependable innovation while enabling sustainable growth across domestic and international markets.

Board of Directors



CHAIRPERSON (NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR)

Jennifer Mary Bush is a Non-Executive and Non-Independent Director of Cummins India Limited and holds the position of Vice President of Cummins Inc., USA, and President of the Cummins Power Systems Business. Jennifer joined Cummins Inc. in 1997 and, since then, has contributed to the organization's success in various leadership roles spanning Power Generation, Industrial Markets and Distribution. She has rich experience, which includes serving as a Six Sigma Blackbelt in Power Systems, leading the Global Commercial Marine Engine business and directing key distribution markets in the USA. Jennifer has strong business acumen focused on painting a vision and energizing teams to deliver outstanding results for customers and the business. She possesses deep expertise in large industrial markets, including commercial marine, oil & gas and mining segments.



MANAGING DIRECTOR

Shveta Arya currently leads the Power Systems Business Unit and is the Managing Director of the Company. She is responsible for driving the Company's growth and success in the India region, collaborating with key government and community stakeholders, developing talent and creating a diverse, equitable and ethical work culture. She has over 20 years of industry and management consulting experience across the automotive, travel, financial services and telecom sectors. She joined the Company in May 2016 as the Head of Strategy in India and subsequently led the Distribution Business. She became the business leader for Power Systems in September 2022, spearheading the transformation efforts and delivering significant benefits to the business in India. She also led the launch of the CPCB IV+ range of products for the Power Generation market in India, which meets some of the world's most stringent and comprehensive emission standards. Prior to joining the Company, she was leading Strategy and Mergers & Acquisitions (M&A) at Thomas Cook India. She has previously been associated with organizations such as Kearney and Infosys. A strong advocate of women's empowerment, Ms. Arya sponsors the Cummins Powers Women program in India - a part of the global community initiative committed to the advancement and prosperity of women and girls around the world.



INDEPENDENT DIRECTOR

Lira Goswami is a Non-Executive Independent Director of Cummins India Limited. She has rich experience of more than 30 years in corporate, commercial and regulatory work, including international business transactions, strategic advisory and mergers and acquisitions. Her work in regulatory compliance spans various sectors, including defence, energy, pharma, food and others. Lira is one of the founding partners of Associated Law Advisers (ALA) and heads their corporate and regulatory team. She regularly speaks on foreign investment, defence procurement, trade, regulatory and compliance issues. She has also spoken at several anti-corruption conferences in India and C5's Defense Procurement seminars in Washington and Paris. She has also authored articles on diverse subjects, including disinvestment, related party transactions, foreign exchange regulations, insurance as a tool of wealth management, law and morality, legal obligation, civil disobedience, etc.



INDEPENDENT DIRECTOR

Rekha is a Non-Executive Independent Director of Cummins India Limited. She has rich experience across manufacturing, automotive, aerospace, industrial automation and 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. Rekha is currently working as a Worldwide Leader for Global Developers and India Leader for Customer Experience & Support at Microsoft India R&D. Prior to Microsoft, she worked with Eaton, Schneider Electric, Honeywell, GE Research and Technology and Bosch. Rekha has won several industry innovation awards and has authored and presented papers at the Institute of Electrical and Electronics Engineers (IEEE) conference in Singapore and India. She has also been invited to deliver talks at the National Aeronautics and Space Administration (NASA), IEEE, Project Management Institute (PMI) and other industrial forums.



INDEPENDENT DIRECTOR

Farokh N. Subedar is a Non-Executive Independent Director at Cummins India Limited and brings with him vast experience in the areas of business management, finance, taxation, law, risk management and accounts. Farokh superannuated from Tata Sons Limited as its Chief Operating Officer and also functioned as the Chief Financial Officer and Company Secretary. During his 38-year association with the Tatas, he has been on the boards of various Tata companies and is currently the Vice Chairman of Tata Investment Corporation Limited and serves on the boards of Tata Capital and Tata Industries. He is also the Non-Executive Chairman of DCB Bank Limited. In the past, Farokh has been the President of the Bombay Chamber of Commerce and Industry. He holds a bachelor's degree in commerce and is a Member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India.



INDEPENDENT DIRECTOR

Sekhar Natarajan is a Non-Executive Independent Director at Cummins India Limited. In his long career, Sekhar has led and built Monsanto India as a leading growth and innovation company in the agriculture sector, first as its Managing Director, then as South Asia Leader and later as both Executive and Non-Executive Chairman of its Board, until its merger with Bayer in 2019. He is a recognized leader and a strategic thinker with rich global experience in Business Development and Mergers & Acquisitions. Currently, he is the Managing Partner of M/s SN Consultants and a Founding Partner of AgVaya LLP, where he provides strategic advice and guidance to local and international companies. He also works closely with industry forums on policy and advocacy matters.



INDEPENDENT DIRECTOR*

Vibha Paul Rishi is a Non-Executive Independent Director of Cummins India Limited. She started her career with Tata Administrative Service and was part of the core startup team of Titan Watches. Thereafter, she was associated with PepsiCo for 17 years, attaining leadership roles in the areas of marketing and innovation in India, the United States and the United Kingdom. She was also one of the founding team members of PepsiCo when it began operations in India. Later, she moved to PepsiCo's headquarters in the US to be a part of its international marketing team, followed by an innovation leadership role in London. Her last role in an executive capacity was Executive Director, Brand and Human Capital of Max India, prior to which she was the Director, Marketing and Customer Strategy at the Future Group.

*Vibha Paul Rishi was appointed as a Director (Non-Executive and Independent) of the Company with effect from August 09, 2025.



NON-EXECUTIVE DIRECTOR

Donald Jackson is a Non-Executive, Non-Independent Director on the Cummins Board and has held the position since 2018. He is also Vice President - Treasury & Tax at Cummins Inc. He has 30 years of experience as a global financial risk management professional. Since May 2015, Donald has headed the Global Corporate Treasury function, overseeing debt capital markets, foreign exchange & commodity risk management, bank relationships, short-term liquidity, corporate credit and pension risk management at Cummins Inc. Before joining Cummins, he worked with Hewlett-Packard (HP) in various treasury areas and as a Foreign Exchange Trader in the Capital Markets area at Grupo Financiero Banamex-Accival (a financial institution headquartered in Mexico).



NON-EXECUTIVE DIRECTOR

Cornelius O'Sullivan serves as a Non-Executive and Non-Independent Director for Cummins India Limited. He is also the Executive Director – PSBU Supply Chain and Operations at Cummins Inc. Cornelius has worked in various supply chain roles throughout his 30-year career. Since joining Cummins in 1997, Cornelius began as the Global SQI Leader based in Huddersfield, England. Over the last 10 years, he has increased responsibility within the Power Systems' supply chain and currently leads strategy, planning, logistics, procurement and synchronous business planning. He has also been a member of the Cummins Supply Chain Leadership Team for the last three years and has been engaged in setting the supply chain transformation roadmap. Most recently, Cornelius's responsibility has included leading the design and launch of the first Regional Operating Team in the EMEA region.



NON-EXECUTIVE DIRECTOR*

Thierry Pimi is a Non-Executive and Non-Independent Director of Cummins India Limited and leads the DBU International Operations at Cummins Inc., a role he took on in July 2024. Prior to this, he led Asia Middle East (AME) Area Business Office (ABO) for six years, Southern Africa Distribution for two years and North & West Africa regional distribution for three years. In these roles, he developed exceptional people skills and demonstrated solid financial, strategic and commercial acumen. Thierry joined Cummins in 2009 in the Corporate Strategy team in Columbus, Indiana, where he led several projects involving growth, profitability, divestiture and acquisitions. In 2011, Thierry was appointed Africa Mining Business Leader, a role in which he built and leveraged strong relationships with Africa Distributors to expand coverage and improve preference for Cummins power.

*Thierry Pimi was appointed as a Director (Non-Executive and Non-Independent) of the Company with effect from August 09, 2025.

FY 2025-2026

Directors' Report

BANKERS

State Bank of India
HDFC Bank Limited
Citibank, N.A.
Bank of America
ICICI Bank Limited
The Hongkong Shanghai Banking Corporation Limited
J.P. Morgan Chase, N.A.

AUDITORS

Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing - 1, Airport Road, Yerwada, Pune - 411006

REGISTRAR & SHARE TRANSFER AGENT

MUFG Intime India Private Limited
C-101, 1st Floor, Embassy 247, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083
Phone: (+91) 81081 16767
E-mail: investor.helpdesk@in.mpms.mufg.com
Website: https://in.mpms.mufg.com/

CUMMINS INDIA LIMITED

CIN: L29112PN1962PLC012276
Regd. Office: Cummins India Office Campus,
Tower A, 5th Floor, Survey No. 21,
Balewadi, Pune - 411045
Phone: (020) 67067000
Fax: (020) 67067015
E-mail: Cil.Investors@cummins.com
Website: www.cumminsindia.com

Directors' Report

TO THE MEMBERS,

The Board of Directors take pleasure in presenting the Sixty-Fifth Annual Report including *inter-alia* Directors' Report, its annexures and audited financial statements (including standalone & consolidated financial statements along with respective Auditors' Report and notes thereon) for the Financial Year ended March 31, 2026. The consolidated performance of your Company, its joint venture and associate has been referred to wherever required.

ON STANDALONE BASIS

During the Financial Year 2025-26, revenue from operations was ₹ 12,143.19 Crores as compared to ₹ 10,339.40 Crores during the previous year (17% higher). Profit after tax increased to ₹ 2,330.18 Crores from ₹ 1,905.78 Crores recorded for the previous year (22% higher).

ON CONSOLIDATED BASIS

During the Financial Year 2025-26, revenue from operations was ₹ 12,143.19 Crores as compared to ₹ 10,390.69 Crores during the previous year (17% higher). Profit after tax increased to ₹ 2,361.75 Crores from ₹ 1,999.94 Crores recorded for the previous year (18% higher).

1. FINANCIAL RESULTS:

(₹ in Crores)

Financial Summary	Standalone		Consolidated	
	2025-26	2024-25	**2025-26**	2024-25
APPROPRIATION OF PROFIT:				
Profit before taxation	**3,054.39**	2,496.14	**3,085.95**	2,592.81
Net Profit for the year after tax	**2,330.18**	1,905.78	**2,361.75**	1,999.94
Dividend	**1,483.02**	1,053.36	**1,483.02**	1,053.36

** Includes Exceptional Items amounting to ₹ (50.05) Crores (F.Y. 2024-25: ₹ Nil) and ₹ (81.61) Crores (F.Y. 2024-25: ₹ Nil) in the Standalone and Consolidated Financial Statements respectively.*

2. RESERVES:

The closing balance of reserves, including retained earnings, of your Company as at March 31, 2026, was ₹ 7,842.37 Crores. During the financial year, no amount was proposed to be transferred to the Reserves.

3. BUSINESS UPDATE AND STATE OF COMPANY'S AFFAIRS:

The information on Company's affairs and related aspects is provided under Management Discussion and Analysis Report, which has been prepared, *inter-alia*, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and forms part of this Annual Report.

4. DIVIDEND:

Your Directors have recommended a final dividend of ₹ 46/- (i.e. 2,300%) per equity share of ₹ 2/- each fully paid-up in their meeting held on May 27, 2026, in addition to the interim dividend of ₹ 20/- (1,000%) per equity share of ₹ 2/- each fully paid-up declared on February 04, 2026, aggregating to ₹ 66/- (i.e. 3,300%) per equity share of ₹ 2/- each fully paid-up for the financial year ended March 31, 2026 (previous year ₹ 51.50/- per equity share i.e. 2,575%). The final dividend is subject to approval of the Members at the ensuing Annual General Meeting and shall be subject to deduction of tax at source as per applicable laws.

The final dividend recommended, and the interim dividend paid is in accordance with the principles and criteria as set out in the Dividend Distribution Policy of your Company.

5. SHARE CAPITAL:

The paid-up share capital of your Company is ₹ 55,44,00,000/- divided into 27,72,00,000 fully paid-up equity shares of ₹ 2/- each as on March 31, 2026. Your Company has not come up with any issue (public, rights or preferential) during the year. There was no change in the share capital during financial year 2025-26.

6. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES:

The Board is pleased to provide details of the following subsidiaries, joint ventures and associates as on March 31, 2026:

a) Cummins Sales & Service Private Limited (CSSPL):

Your Company has sold 100% stake in its wholly owned subsidiary, namely, Cummins Sales & Service Private Limited ("CSSPL") and gain amounting to ₹ 44.15 Crores and ₹ 12.59 Crores has been recorded in the standalone and consolidated financial statements respectively for the year ended March 31, 2026. Consequent to the transfer of its shares, CSSPL ceased to be a subsidiary of your Company effective April 01, 2025.

b) Valvoline Cummins Private Limited (VCPL):

VCPL, a 50:50 joint venture between Valvoline International Inc., USA, one of the global leaders in lubricants and engine oils, and your Company, VCPL generated a revenue of ₹ 3,010.66 Crores from its operations for the year ended March 31, 2026, as compared to ₹ 2,353.37 Crores during the previous year (28% higher).

c) Cummins Generator Technologies India Private Limited (CGTIPL):

Your Company owns 48.74% shareholding in the Associate Company namely CGTIPL which is in the business of design, manufacturing, marketing, sales and service of alternators and related spare parts. CGTIPL generated revenue of ₹ 2,334.16 Crores from its operations for the year ended March 31, 2026, as compared to ₹ 2,011.89 Crores during the previous year (16% higher).

Further, during the financial year under review, the Company had acquired equity shares of Clean Max Yellowstone Private Limited ("Clean Max") a Special Purpose Vehicle, by investing an amount up to ₹ 2.70 Crores aggregating to 8.78% of the equity share capital of Clean Max, for procuring renewable power (Solar/wind/hybrid) for the factories/premises of the Company.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consolidated financial statements of your Company, its joint venture and associate companies, prepared in accordance with the applicable Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, form part of this Annual Report.

Further, a statement containing the salient features of the financial statement of subsidiaries, associate company and joint venture in the prescribed Form AOC-1 is appended as **Annexure '1'** which forms part of this Annual Report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of your Company, and consolidated financial statements along with relevant documents are available on the website of your Company on https://www.cummins.com/en/in/investors/india-financials.

7. CHANGE IN THE NATURE OF THE BUSINESS:

During the year under review, there was no change in the nature of the business pursuant to Section 134 of the Companies Act, 2013, and the Companies (Accounts) Rules, 2014.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

No loan or guarantee was given, or investment was made by your Company during the financial year 2025-26 pursuant to Section 186 of the Companies Act, 2013.

9. DEPOSITS:

Your Company has not accepted any Public Deposits under Chapter V of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, during the financial year 2025-26.

10. FUND RAISING BY ISSUANCE OF DEBT SECURITIES, IF ANY:

Pursuant to SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018, read with SEBI Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023, the Directors confirm that your Company is not defined as a "Large Corporate" as per the framework provided in the said Circular. Further, your Company has not raised any funds by issuance of debt securities.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the financial year 2025-26, no materially significant related party transactions were entered into by your Company, that may have potential conflict with the interests of your Company, at large.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 is appended as **Annexure '2'** which forms part of this Annual Report.

The Policy on materiality of related party transactions as approved by the Board can be accessed on your Company's website at the link: https://www.cummins.com/en/in/investors/india-corporate-governance.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with relevant accounting standards.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the resolution for seeking approval of the Members on material related party transactions is being placed at the ensuing Annual General Meeting scheduled on August 06, 2026.

12. CONSERVATION OF ENERGY:

During the financial year 2025-26, your Company remained committed to enhancing energy efficiency through the implementation of energy conservation initiatives at all its facilities.

Your Company generated a total of 60,08,042 kWh of electricity from existing and new onsite solar installations. Facility wise details of the same are mentioned below:

Site	Solar PV installation capacity (in kWp)	On-site solar energy generation (in kWh) in FY 25-26
Kothrud Engine Plant, Pune	4,400	40,84,421
Power Generation Plant, Phaltan	521	5,90,095
Megasite, Phaltan	875	7,14,350
Cummins Residential Campus	240	2,64,708
Truck Terminus	57.4	67,044
Pirangut Power System Plant, Pune	150	1,52,799
PSBU Test Cell Operations	120	1,34,625
Total	**6,363.4**	**60,08,042**

At the Kothrud Engine Plant (KEP), Pune, renewable energy initiatives were strengthened through continued operation of rooftop solar installations and implementation of Solar Phase VI comprising a 160 kWp PV car port installation, along with continued offsite procurement of solar and wind power. With a cumulative installed solar capacity of 4,400 kWp, KEP generated 40.84 lakh units (kWh) of electricity during the financial year 2025-26. In addition, energy-efficient ventilation systems, compressed air leakage reduction initiatives (468 cfm to 463 cfm), air circulator automation systems, and low-cost no-cost projects were implemented, contributing to improved energy efficiency.

At India Parts Distribution Centre (IPDC), initiatives such as HVAC automation, installation of energy-efficient compressors, deployment of High Volume Low Speed (HVLS) fans, and application of engineering controls resulted in energy savings of 1,27,618 kWh and cost savings of ₹ 17.86 lakh during the financial year 2025-26.

At the Cummins Power Generation (CPG) facilities, installation of solar diffuser lights and replacement of conventional lighting with energy-efficient LED fixtures across shop floors, test cells, and outdoor areas resulted in energy savings of 74,276 kWh and estimated annual cost savings of ₹ 7.31 lakh.

At the Cummins Master Rebuild Centre (MRC), at Phaltan, replacement of energy-efficient pumps and installation of HVLS fans in test cell areas resulted in cumulative energy savings of 27,540 kWh and cost savings of ₹ 3.31 lakh during the financial year.

At the Power System Business Unit (PSBU) Test Cell operations, energy optimization initiatives including unplugged actions, PLC-based cooling tower optimization, chilled water system logic modification, lighting upgrades, and automated lighting controls resulted in energy savings of 5,01,637 kWh and cost savings of approximately ₹ 59.02 lakh.

13. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION:

Your Company is committed to introducing new products and improving existing products to have better performance levels, lower life cycle costs, excellent safety, recyclability characteristics and meet stringent emission norms tailored for the specific needs of the Indian industry.

Your Company continues this endeavor by developing the next generation of systems and solutions in collaboration with the parent company i.e., Cummins Inc., USA.

Improved technical productivity, through new methodologies and technologies, is being continuously pursued to reduce the costs associated with new product development and customer support. An example of this is the further enhanced use of analysis-led design and simulation based tools for product development through computer models that help minimize hardware testing and therefore accelerate product development cycle times with reduced product testing.

A. New Product Development:

The following new Products were developed or marketed or sold or launched as part of the above initiatives during the year:

- Rail product development: Developed horizontal engine for high speed self-propelled accident relief train (HS SPART) application,
- Large size 95L product development for Marine power generation for Navy fleet support ship.
- Export-ready Euro Stage V Compliant Products: Introduced a new product line for the EU market, meeting the stringent Euro Stage V emission norms, under this exports have also commenced.

- CPCBIV+ Norm Range product 82.5 kVA with X3.7 certified and launched.
- QSM15 Chile phase II- LPO units shipped to LATAM region leveraging CPCBIV+ architecture.
- Test Facility for genset recently upgraded with advance safety standards and integrated controls to support extensive development validations.
- New bench testing rig was introduced for cylinder block buster test supporting development testing of India manufactured blocks for global use.
- CEV BS V, new regulatory emission rollout for Construction Equipment Vehicles (CEVs) and Trem IV and V for combined harvester was carried out.
- Developing 'fit-for-market' solutions to meet export emission requirements
- New parent and child ratings additions; expanding the product portfolio with new OEM additions, telematics integration, new software calibration options and continued product compliances.
- RECD (retrofitment emission control devices) development and approvals for CPCB I and CPCB II engines.
- Catering to global markets (EU regions, US) and certifications related to EU Stage V, Tier III, Stage III A, Euro III etc.

Further, your Company continues to strengthen its channel presence through its Genset Original Equipment Manufacturers partners and have added 12 additional sales dealers across various geographies.

B. Benefits derived as a result of the above activities are:

1. Enhanced product and service capabilities through use of electronic tools and simulation software to deliver improved engine performance;
2. Enhanced capability to tailor engine designs to improve value proposition for customers through delivering superior power output, fuel economy, transient response and reduced emissions;
3. Product and component availability to meet the new emission norms ahead of implementation;
4. Safer, recyclable, reliable, durable, and performance-efficient products and critical components; and
5. Improved component indigenization capability through enhanced test capability, rig test and flow bench development and availability.

C. Future plans include:

1. Technological innovation to add value to products in the areas of alternate fuels, power electronics, battery energy storage systems, Microgrid and hybrid engines;
2. Continued expansion of the product range to serve the needs of both local and global market; and
3. Continued focus on indigenization and partnering with suppliers for waste elimination initiatives.

D. Your Company continues to draw benefits from its parent company i.e., Cummins Inc.'s technology, advanced engineering, and research. With this support your Company is committed to develop advanced fuel-efficient and emission-compliant products that use a variety of energy sources and comply with future domestic

emissions and carbon dioxide targets. These help to reduce greenhouse gas emissions and improve air quality, whilst also enabling the products to deliver superior performance, reliability, durability, and recyclability.

E. Expenditure on Research & Development (R&D):

The total expenditure on R & D was as follows:

(₹ in Crores)

Particulars	**2025-26**	2024-25
On capital account	**5.89**	7.23
On revenue account	**4.65**	3.28
Total	**10.54**	**10.51**
Total R&D expenditure as a percentage of total sales turnover	**0.09%**	**0.10%**

14. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Your Company continues to be Net Foreign Exchange Earner. During the financial year under review, your Company exported 5,022 engines and 6,369 generator sets. Foreign exchange earned in terms of actual inflows and foreign exchange outgo in terms of actual outflows were as follows:

(₹ in Crores)

Particulars	**2025-26**	2024-25
Foreign exchange earnings*	**2,232.32**	1,727.23
Foreign exchange outgo*	**2,083.64**	1,493.43

**Equivalent value of various currencies*

15. MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT:

The Management Discussion and Analysis Report and the Corporate Governance Report which forms part of this Report are appended as **Annexure '3'** and **'4'** respectively.

Your Company has obtained a Certificate from Practicing Company Secretary confirming compliance with conditions of the Code of Corporate Governance as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including amendments thereof) and the same is appended as **Annexure '6'** which forms part of this Report.

Your Company has received a Certificate from Practicing Company Secretary confirming that none of the Directors on the Board of your Company have been debarred or disqualified by Ministry of Corporate Affairs or Securities and Exchange Board of India or any such statutory authority from being appointed/continuing as Director and the same is appended as **Annexure '7'** which forms part of this Annual Report.

16. ANNUAL RETURN:

As per the requirement under Section 92(3) of the Companies Act, 2013, the draft Annual Return for financial year 2025-26 is available on the website of your Company at the link: https://www.cummins.com/en-in/en/in/investors/india-annual-reports. The Annual General Meeting is proposed to be held on August 06, 2026. Your Company shall upload a copy of Annual Return for financial year 2025-26 post filing with Registrar of Companies.

17. RISK MANAGEMENT:

Business Risk Evaluation and Management is an ongoing process within the Organization. Your Company has a robust Enterprise Risk Management (ERM) Framework to identify, monitor and minimize risks. As a process, the risks associated with the business are identified and prioritized based on impact, probability of occurrence and

organization's risk management capability. Such risks are reviewed by the Senior Management, Risk Management Committee and the Board on a regular basis. Your Company has a structured governance mechanism where risks identified under the ERM Framework are categorized based on level of oversight required. Subsequently, Risk Owners and appropriate review forums are identified for each of the risk and metrics are developed for monitoring and reviewing the risk mitigation efforts. The established comprehensive Risk Management Framework ensures that risk areas having a potential impact on your Company's continued existence as a going concern and to its development are identified and addressed on timely basis.

The Risk Management Committee of the Board of Directors of your Company assists the Board in (a) overseeing and approving your Company's enterprise wide risk management framework including the risk management processes, systems and practices of your Company; (b) overseeing that all existing risks and new risks that the organization faces including cyber security risks have been identified and assessed; and (c) overseeing that adequate resources have been allocated to effectively manage those risks. Further details on Risk Management Committee is included in the Corporate Governance Report.

The details and process of Enterprise Risk Management implemented by your Company through Risk Management Policy, are included in the Management Discussion and Analysis, which forms part of this Annual Report.

18. INTERNAL FINANCIAL CONTROL:

Your Company has established adequate internal financial controls for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Details of internal financial control and its adequacy are included in the Management Discussion and Analysis Report which forms part of this Annual Report.

19. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Your Company has a 'Whistle Blower Policy & Vigil Mechanism' which *inter-alia* provides adequate safeguards against victimization of persons who blows the whistle. This Policy may be accessed on your Company's website at the link: https://www.cummins.com/en/in/investors/india-corporate-governance.

Your Company has complied with provisions relating to constitution of an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has a well governed ethics investigations process. Regular workshops and awareness programmes against sexual harassment are conducted across the organization.

Details of the complaints received by your Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the FY 2025-26 are as follows:

Sr. No.	Particulars	No. of Complaints
1.	Number of complaints received during the year	3
2.	Number of complaints resolved during the year	2
3.	Number of complaints pending at the end of the year	1
4.	Numbers of Complaints pending for more than 90 days	0

Your Company's leadership culture is to inspire and encourage all employees to reach their full potential. A great leadership culture begins with exceptional leaders who create an outstanding place to work, inspiring and encouraging all employees to achieve their full potential. Leaders connect people and their work to the vision, mission, values, brand promise and strategies of your Company, motivating them and giving them a higher sense of purpose. Leaders also build trust within our teams and organizations while aligning with key goals and priorities.

Leaders foster open communications and offer various opportunities to employees to express their feedback through several ways.

Your Company is committed to having openness, integrity and accountability in all its affairs and to providing a workplace conducive to open discussion of its business practices. Your Company has laid out infrastructures and policy through which the employees can voice their concerns about suspected unethical or improper practice, or violation of Cummins Code of Business Conduct or complaints regarding accounting, auditing, internal controls or disclosure practices of your Company. Reports by a whistle blower may be raised with direct manager or member of management in chain of supervision. If discussions with direct manager or member of management in chain of supervision are not feasible or do not resolve concerns, the whistle blower may contact a member of Human Resources. Alternatively, if the whistle blower is not comfortable with the manager or Human Resources, or concerns raised are not addressed, concerns can be raised to the Cummins Ethics Help Line, which is available 24/7, details of which are available on website of your Company at www.cumminsindia.com. The whistle blower, in appropriate cases, shall have direct access to the Chairperson of the Audit and Compliance Committee of the Company.

20. COMPLIANCE WITH THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961:

Your Company has in place Maternity Benefit Policy in line with the requirements of the Maternity Benefit Act, 1961. During the financial year under review, your Company has duly complied with the provisions of the said Act.

21. COMPLIANCE WITH THE CODE OF CONDUCT:

All Directors on the Board and Senior Management have affirmed compliance to the Code of Conduct and Cummins Code of Business Conduct respectively for the financial year 2025-26. A declaration signed by the Managing Director affirming compliance with the Company's Code of Conduct by the Board of Directors and Senior Management for the financial year 2025-26 as required under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in the Corporate Governance Report which forms part of this Annual Report.

Pursuant to Regulation 26(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), all members of the Senior Management have made periodical disclosures to the Board confirming that there are no material, financial and commercial transactions, wherein they have (or were deemed to have had) a personal interest that may have a potential conflict with the interest of the Company, at large.

22. COMPLIANCE DOWNSTREAM INVESTMENT CONDITIONALITIES:

Your Company is a Foreign Owned and Controlled Company within the meaning of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 ("FDI Regulations"). The Downstream Investment(s) made by your Company in Clean Max Yellowstone Private Limited are in compliance with the applicable provisions of the Foreign Exchange Management Act, 1999 ('FEMA'), the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, and the prevailing FDI Regulations.

Your Company has obtained a certificate from the Statutory Auditors of your Company for compliance, in respect of the downstream investment made by your Company during financial year 2025-26. The Auditors have affirmed compliance with downstream investment conditionalities by your Company and have issued an unqualified report.

23. DIRECTORS' RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls and compliance systems established and maintained by your Company, work performed by the internal, statutory, cost and secretarial auditors and/or external consultant(s) including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit and Compliance Committee,

the Board is of the opinion that your Company's internal financial controls were adequate and effective during the financial year 2025-26.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(i) in the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed and there are no material departures;

(ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2026, and of the profit and loss of the Company for that financial year ended on that date;

(iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the Directors had prepared the annual accounts on a going concern basis;

(v) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively during the financial year ended March 31, 2026; and

(vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended March 31, 2026.

24. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a) Changes in the composition of the Board of Directors:

Appointments and Re-appointments

Ms. Vibha Paul Rishi (DIN: 05180796) was appointed by the Board as an Additional Director (Non-executive and Independent) with effect from August 09, 2025, and was regularized as a Director (Non-executive and Independent) by way of special resolution passed on October 07, 2025, through postal ballot conducted by remote e-voting process, to hold the office for the period of five (5) consecutive years effective from August 09, 2025, to August 08, 2030, not liable to retire by rotation.

Mr. Thierry Bruno Pimi Nouyeuwe (DIN: 11225590) was appointed by the Board as an Additional Director (Non-executive and Non-independent) with effect from August 09, 2025, and was regularized as a Director (Non-executive and Non-independent), liable to retire by rotation, by way of an ordinary resolution passed on October 07, 2025, through postal ballot conducted by remote e-voting process.

In accordance with the Companies Act, 2013 and Articles of Association of your Company, Mr. Donald Jackson Gray (DIN: 08261104), Director (Non-executive and Non-independent) of your Company, retires by rotation and being eligible, has offered himself for re-appointment. The proposal seeking Members' approval for his re-appointment forms part of the Notice of 65th Annual General Meeting of your Company (Notice). The Board has approved his re-appointment in its meeting held on May 27, 2026, on the recommendation of the Nomination and Remuneration Committee.

As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2, particulars of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting are given in the Explanatory Statement to the Notice and the Board on the

recommendation of Nomination and Remuneration Committee, has recommended the respective resolution(s) for the approval of the Members.

Cessation

Ms. Bonnie Jean Fetch (DIN: 09791477) resigned as Director (Non-executive and Non-independent) of your Company with effect from May 29, 2025, pursuant to her role change within the Cummins Group. Consequently, she also ceased to be a member of Nomination and Remuneration Committee and Corporate Social Responsibility and Sustainability Committee (erstwhile known as Corporate Social Responsibility Committee) of your Company effective the same day. She had confirmed vide her resignation letter that, there were no other material reasons for her resignation.

Ms. Rama Bijapurkar (DIN: 00001835) expressed her intention not to continue as an Independent Director of your Company for second term due to preoccupations, developments in her professional portfolio and shift in her ongoing commitments. Accordingly, Ms. Bijapurkar ceased to be a Non-executive Independent Director of your Company upon completion of her first term of five years with effect from June 16, 2025. Consequently, she also ceased as to be a Chairperson of Nomination and Remuneration Committee and Corporate Social Responsibility and Sustainability Committee (erstwhile known as Corporate Social Responsibility Committee) of your Company effective same day. She had confirmed vide her letter that, there were no other material reasons, for not offering herself for re-appointment for a second term other than those mentioned in the letter.

The Board places on record its appreciation for the outgoing Directors' invaluable contribution and guidance during their respective tenure.

The details of Board composition, details of directorships of Directors etc., details of attendance of meetings of the Board and Committees thereof and the Annual General Meeting are provided in the Corporate Governance Report, which forms part of this Annual Report.

b) Changes in Key Managerial Personnel

The changes in Key Managerial Personnel (KMP) during the financial year under review were as below:

The Board at its meeting held on May 28, 2025, based on the recommendation of the Nomination and Remuneration Committee and Audit and Compliance Committee, had approved the appointment of Ms. Soma Dilip Ghosh as the Chief Financial Officer (CFO) and KMP of your Company with effect from July 21, 2025. Consequent to the aforesaid appointment Mr. Prasad S Kulkarni, who was appointed as the Interim CFO and KMP of your Company, ceased to be the Interim CFO and KMP with effect from July 21, 2025. He continued as Finance Controller Distribution Business Unit of your Company.

c) Committees of the Board:

The Board of Directors have constituted following Committees in order to effectively cater its duties towards diversified role under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- Audit and Compliance Committee;
- Stakeholders' Relationship Committee;
- Nomination and Remuneration Committee;
- Corporate Social Responsibility and Sustainability Committee w.e.f. February 4, 2026 (erstwhile known as Corporate Social Responsibility Committee); and
- Risk Management Committee

Details of the constitution, broad terms of references of each Committee and number of meetings held, number of meetings attended by individual Director etc. are provided in the Corporate Governance Report which forms part of this Annual Report.

d) Policy on Director's Appointment and Remuneration:

The Policy of your Company on Director's Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of the Directors and other matters provided under Section 178(3) of the Companies Act, 2013, adopted by the Board *viz.* Nomination and Remuneration Policy, is appended as **Annexure '8'** which forms part of this Annual Report.

Details of the remuneration paid to the Directors is provided in the Corporate Governance Report. It is affirmed that the remuneration paid to the Directors is as per the terms laid down in the Nomination and Remuneration Policy of your Company.

e) Board Performance Evaluation Mechanism:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance and the Directors, Chairperson individually, as well as the evaluation of working of its Committees. Details of the evaluation mechanism is provided in the Corporate Governance Report which forms part of this Annual Report.

f) *Inter-se* relationships between the Directors:

There are no relationships between the Directors *inter-se*.

g) Familiarization Programme for Independent Directors:

During the year, various documents, background notes etc. were shared with the Independent Directors to have a deeper insight into state of affairs of your Company.

The Chairperson and/or the Managing Director also have periodic discussions with the newly appointed Directors to provide them, details of initiatives of your Company, for better understanding of your Company, its business and the regulatory framework in which your Company operates and equip him/her to effectively fulfil his/her role and responsibilities as a Director of your Company.

The familiarisation programme as specified under Regulation 46 of the SEBI Listing Regulations is available on the website of your Company at the link: https://www.cummins.com/en/in/investors/india-corporate-governance.

h) Declarations from the Independent Directors:

Pursuant to the provisions of Section 149 of the Companies Act, 2013, read along with Rules framed thereunder and Regulation 16(1)(b) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Independent Directors have submitted *inter-alia* declarations that, each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have also confirmed compliance with the provisions of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of Independent Directors.

Further, the Independent Directors have also confirmed that, there has been no change in the circumstances affecting their status as Independent Directors of your Company. The said Certificates(s) were taken on record by Board after their requisite assessments.

The Board took on record the declaration and confirmation submitted by the Independent Directors with respect to meeting the prescribed criteria of independence, after undertaking due assessment and veracity of the same as required under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

25. NUMBER OF MEETINGS OF THE BOARD:

Six (6) meetings of the Board of Directors were held during the financial year. The details of the meetings held and attendance thereat are provided in the Corporate Governance Report which forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed under the Companies Act, 2013.

26. PARTICULARS OF EMPLOYEES AND REMUENRATION:

The details in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, is appended as **Annexure '10'** which forms part of this Annual Report.

A statement containing particulars of top 10 employees and particulars of employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is a separate Annexure. In terms of proviso to Section 136(1) of the Companies Act, 2013, the Report and Accounts are being sent to the Members, excluding the aforesaid Annexure. The said Statement is also open for inspection. Any Member interested in obtaining a copy of the same may write to Company Secretary at Cil.Investors@cummins.com. None of the employees listed in the said Annexure are related to any Director of your Company.

27. INDUSTRIAL RELATIONS:

Industrial relations across the Company's manufacturing locations remained generally cordial during the financial year, with minimal labor disruptions. Industrial harmony was sustained through constructive employee engagement, transparent communication, and focused labor relations initiatives that strengthened governance and employee engagement.

The Company continued to focus on constructive union engagement, statutory compliance, and uninterrupted business operations. Discussions on the Long-Term Settlement (LTS) with the union are progressing in accordance with established processes.

The Company continued to drive its performance management system for shop-floor, technician, and office employees, enabling differentiation and recognition of employee contributions to business success.

The Company continued to enhance employees' access to digital tools and learning platforms to improve capability and effectiveness. Internal Job Postings (IJP) remained a key enabler of career growth and internal mobility, including opportunities for talent from the non-exempt workforce.

The Company remained committed to providing a safe, inclusive, and respectful workplace. Employee engagement was fostered through initiatives such as sports tournaments, Family Day celebrations, and participation in Corporate Responsibility programme's, contributing to both employee well-being and positive social impact.

28. AUDITORS:

STATUTORY AUDITORS:

At the 60th Annual General Meeting held on August 12, 2021, M/s. Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants (Firm Registration No.: 304026E/E-300009), were appointed as Statutory Auditors of your Company to hold office till the conclusion of 65th Annual General Meeting.

Accordingly, M/s. Price Waterhouse & Co Chartered Accountants LLP completed audit for financial year 2025-26 and issued Auditor's Report. The Auditor's Report on the Financial Statement for the year ended March 31, 2026, is unmodified i.e., it does not contain any qualification, reservation, adverse remark or disclaimer and notes thereto are self- explanatory and do not require any explanations.

In terms of the Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company at their meeting held on May 27, 2026, based on the recommendation of the Audit and Compliance Committee, re-appointed M/s. Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants (Firm Registration No.: 304026E/E-300009) as Statutory Auditors of your Company for a second term of five (5) consecutive years from the conclusion of 65th AGM till the conclusion of 70th AGM, subject to the approval of the shareholders at the ensuing AGM of your Company. M/s. Price Waterhouse & Co Chartered Accountants LLP have informed your Company that they are eligible to continue, and their appointment, if approved, shall be within the limits prescribed under Section 141 of the Companies Act, 2013.

SECRETARIAL AUDITORS:

M/s. Makarand M. Joshi & Co., Practicing Company Secretaries, a peer reviewed firm (Firm Registration Number: P2009MH007000) ("MMJC") was appointed as the Secretarial Auditors of your Company for a period of five (5) consecutive years commencing from financial year 2025-26 till 2029-30, as required under Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI Listing Regulations. The Board noted the continued appointment of MMJC as the Secretarial Auditors of your Company for the financial year 2026-27 in its meeting held on May 27, 2026. MMJC have informed your Company that they are eligible to continue, and their appointment is within the limits prescribed under SEBI Listing Regulations.

The Secretarial Audit Report in Form MR-3 for the financial year 2025-26 is appended as **Annexure '5'** which forms part of this Report.

The Annual Secretarial Compliance Report issued by MMJC in accordance with Regulation 24A of the SEBI Listing Regulations read with Circulars issued thereunder by Securities and Exchanges Board of India shall be submitted to the Stock Exchange within the prescribed timelines. The same shall also be uploaded on the website of your Company at https://www.cummins.com/en-in/en/in/investors/india-investors-notices.

The below observation has been provided by the Secretarial Auditor in Secretarial Audit Report, Annual Secretarial Compliance Report and Compliance certificate of corporate governance.

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc., as mentioned above except pursuant to cessation of Ms. Rekha, Independent Director, as a member of Audit and Compliance committee with effect from August 09, 2025, the composition of Audit and Compliance Committee comprised of 5 members, out of which only 3 members were Independent Directors resulting in non-compliance with the requirements of the Regulation 18(1)(b) of the SEBI Listing Regulations read with Corporate Governance FAQ with respective to rounding off. However, the Company has reconstituted the composition of Audit and Compliance committee by appointing Ms. Vibha Paul Rishi, Independent Director with effect from November 11, 2025. Also, Company has received communications from both the Stock Exchanges imposing penalty of ₹ 2,360/- each w.r.t. one day non-compliance with Regulation 18(1) of SEBI Listing Regulations, Company has paid the same.

The Board noted that the treatment of fractional numbers i.e., rounding to the next whole number as clarified in Corporate Governance FAQs, was missed inadvertently, resulting in non-compliance of Regulation 18(1)(b) of the SEBI Listing Regulations. Further, the Board noted Company's steadfast commitment to maintaining adherence to all the applicable regulatory provisions and frameworks. The Board also took note of the corrective actions undertaken by the Company, including the reconstitution of the Audit and Compliance Committee, effective November 11, 2025 and that the fine levied as above, was duly paid by the Company.

COST AUDITORS AND COST RECORDS:

Your Company maintained cost accounts and records as required under Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014 as amended, from time to time.

Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the cost audit records maintained by your Company in respect of its manufacturing activity is required to be audited. The Directors, on the recommendation of the Audit and Compliance Committee, had appointed M/s. C S Adawadkar & Co., Cost Accountants (Firm Registration Number: 100401), to audit the cost accounts of your Company for the financial year 2025-26 at a remuneration of ₹ 9,50,000/- plus taxes as applicable and re-imbursement of out of pocket expenses.

The remuneration was ratified by Members in the 64th Annual General Meeting held on August 08, 2025.

Pursuant to recommendation of the Audit and Compliance Committee, the Board in its meeting held on May 27, 2026, has appointed M/s. Joshi Apte & Associates, Cost Accountants (Firm Registration No.: 000240), to audit the cost accounts and records of your Company for the financial year 2026-27 at a remuneration of ₹ 9,50,000/- plus taxes as applicable and re-imbursement of out of pocket expenses. As required under the Companies Act, 2013, the Members ratification for the remuneration payable to M/s. Joshi Apte & Associates, Cost Auditors, is being sought at the ensuing Annual General Meeting.

M/s. Joshi Apte & Associates, Cost Auditors, under Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, have, *inter-alia*, furnished a certificate of their eligibility and consent for appointment.

Reporting of Frauds by Auditors

During the financial year under review, the Auditors have not reported any instance of fraud committed in your Company by its Officers or Employees to the Audit and Compliance Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Annual Report.

29. CORPORATE SOCIAL RESPONSIBILITY POLICY AND ITS REPORT:

Your Company is an early adopter of the Corporate Social Responsibility (CSR) initiatives. Corporate Social Responsibility continues to be the core value of your Company embedded in the core value of caring, which focuses on 'serving and improving the communities in which we live'. Cummins India Foundation serves as the implementation agency for executing your Company's CSR initiatives, aligned with its core focus areas: Education, Environment, Equity and Strategic Projects.

Details of the CSR Policy and initiatives taken by your Company during the financial year are available on website of your Company at https://www.cummins.com/en/in/investors/india-corporate-governance. The CSR Policy was last revised by the Board in its meeting held on February 04, 2026. The Annual Report on CSR Activities *inter-alia* including the amount spent, unspent together with reasons therefore is appended as **Annexure '11'** which forms part of this Annual Report.

30. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 last updated on January 30, 2026, your Company presents the Business Responsibility and Sustainability Report ('BRSR') for financial year 2025-26, which provides enhanced disclosures on Environment, Social and Governance (ESG) practices and focused areas of your Company, which is appended as **Annexure '12'** and forms a part of this Annual Report.

In terms of SEBI Listing Regulations, your Company has obtained, BRSR Reasonable assurance on BRSR Core Indicators from Price Waterhouse & Co Chartered Accountants LLP on a standalone basis for the financial year 2025-26.

31. SECRETARIAL STANDARDS:

Your Company is in compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India, specifically Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2).

32. DIVIDEND DISTRIBUTION POLICY:

Pursuant to Regulation 43A of the SEBI Listing Regulations, your Company has formulated a Dividend Distribution Policy stipulating factors to be considered in case of Dividend declaration which is appended as **Annexure '9'** and forms part of this Annual Report. The Policy was last revised by the Board in its meeting held on February 05, 2025. The policy is also available on the website of your Company at https://www.cummins.com/en/in/investors/india-corporate-governance.

33. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to Section 124 and Section 125 of Companies Act, 2013, and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, during the financial year under review, your Company has transferred the following unclaimed and unpaid dividend and corresponding shares to IEPF, upon completion of period of seven years:

Date of declaration	Type of dividend	Amount transferred (₹)	No of equity shares transferred
August 09, 2018	Final Dividend (FY 2017-18)	1,31,16,940	69,002
February 06, 2019	Interim Dividend (FY 2018-19)	90,09,406	12,244

34. DETAILS OF INSOLVENCY AND BANKRUPTCY CODE:

During the financial year under review, your Company has neither made any application nor any application is pending against your Company under the Insolvency and Bankruptcy Code, 2016.

35. DETAILS REGARDING VALUATION REPORT:

During the financial year under review, your Company has not entered into any one-time Settlement with Banks or Financial Institutions and therefore, hence details of valuation are not applicable.

36. GENERAL:

Further, the Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions or applicability with respect to these items during the financial year under review:

a. Issue of equity shares with differential rights as to dividend, voting or otherwise;

b. Issue of shares (including sweat equity shares) by the Company to its employees;

c. The Company had not appointed any other Whole-time Director except the Managing Director;

d. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations. However, Members' attention is drawn to the Statement on Contingent Liabilities, commitments in the notes forming part of the Financial Statement;

e. No material changes and commitments occurred since April 01, 2026, till the date of this Report which would affect the financial position of your Company;

f. The Company has complied with the requirements of stock exchange(s) or SEBI or other statutory authority on capital markets and no penalties /strictures have been imposed against it in the last 3 years unless otherwise disclosed in this report.

g. Details as prescribed under Section 134 of the Companies Act, 2013, and Rules made thereunder, applicable to the Company, have been specifically given in this Report, wherever applicable.

ACKNOWLEDGEMENT

The Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities, customers, vendors and members during the financial year under review. The Directors also wish to place on record their deep sense of appreciation for the committed services by the employees of your Company.

For and on behalf of the Board of Directors,

Jennifer Mary Bush
Chairperson
DIN: 09777114

Shveta Arya
Managing Director
DIN: 08540723

Date: May 27, 2026
Place: Mumbai

Note: *All the Annexures referred in the Directors' Report form an integral part. The entire Annual Report along with the Notice convening the Annual General Meeting and Financial Statements (Standalone and consolidated along with respective Audit Reports) shall be read together.*

Annexures to the Directors' Report

Annexure 1 – STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/ JOINT VENTURES

[Pursuant to first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 – Form AOC - 1]

Part "A": Subsidiaries:

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to the wholly-owned subsidiary:
Not Applicable

Note: The Company has sold 100% stake in its wholly owned subsidiary, namely, Cummins Sales & Service Private Limited ("CSSPL") and gain amounting to ₹ 44.15 Crores and ₹ 12.59 Crores has been recorded in the standalone and consolidated financial statements for the year ended March 31, 2026. Consequent to the transfer of its shares, CSSPL ceased to be a subsidiary of the Company effective April 1, 2025.

Part "B": Associates and Joint Ventures:

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Company and Joint Ventures

Sr. No.	Name of Associates/Joint Ventures	Valvoline Cummins Private Limited	Cummins Generator Technologies India Private Limited
1.	**Date of the latest audited Balance Sheet**	March 31, 2026	March 31, 2026
2.	**Date on which the Associate/Joint Venture was associated or acquired**	October 28, 1994 (Please refer note no. 1)	July 05, 2002
3.	**Shares of Associates/Joint Ventures held by the Company on the year end**		
	No. of Shares	9,500,000 equity shares of ₹ 10/- each	779,997 equity shares of ₹ 10/- each
	Amount of Investment in Associates/Joint Ventures	₹ 8.04 Crores (Please refer note no. 1)	₹ 17.20 Crores (Please refer note no. 2)
	Extent of Holding %	50%	48.74%
4.	**Description of how there is significant influence**	Joint Venture	Associate Company with control of more than 20% of total share capital
5.	**Reason why the associate/joint venture is not consolidated**	NA	NA
6.	**Net worth attributable to Shareholding as per latest audited Balance Sheet**	₹ 176.88 Crore	₹ 425.21 Crore
7.	**Profit/Loss for the year**		
	i. Considered in Consolidation	₹ 112.75 Crore	₹ 153.53 Crore
	ii. Not Considered in Consolidation	₹ 112.47 Crore	₹ 161.84 Crore

Notes:

1. The shareholding in Valvoline Cummins Private Limited, valued at ₹ 8.46/- per share, was transferred to the Company and consequently considered as a Joint Venture post amalgamation of Cummins Sales and Service India

Limited (erstwhile wholly-owned subsidiary of Company) w.e.f. April 01, 2008 vide order of Hon'ble High Court of Bombay dated March 20, 2009.

2. The Company invested ₹ 220.50/- per share in Cummins Generator Technologies India Private Limited.

3. There is neither any Associate Company/Joint Venture which is yet to commence operations nor any Associate Company/Joint Venture which has been liquidated or sold during the year.

For and on behalf of the Board

	Jennifer Mary Bush Chairperson DIN: 09777114	Shveta Arya Managing Director DIN: 08540723	Farokh Subedar Independent Director DIN: 00028428
Date: May 27, 2026 Place: Mumbai	Vinaya Joshi Company Secretary PAN: AMQPJ5216P	Soma D Ghosh Chief Financial Officer PAN: AAYPG5499B	

Annexures to the Directors' Report

Annexure 2 – PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES

[Pursuant to clause (h) of Section 134(3) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 – Form AOC - 2]

This Form pertains to the disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

No contracts or arrangements or transactions were entered into during the year ended March 31, 2026, which were not at arm's length basis.

2. Details of material[1] contracts or arrangement or transactions at arm's length basis

(₹ in Crores)

Name of the Related Party(s)	Nature of Relationship	Nature, tenure and particulars of transactions	Salient Terms	Amount of the transaction
Cummins Limited, UK ('CL')	Subsidiary of Cummins Inc., USA which is the holding company of the Company	As part of regular business operations: 1. sale of engines/gensets, their parts, accessories, and spares by the Company; 2. purchases of engines/gensets, their parts, accessories or spares by the Company; 3. availing/rendering of any kind of service(s), reimbursements received/ paid, purchase/sale/exchange/ transfer/lease of business asset(s) and/or equipment(s), purchase and sale of export incentive licenses or any other transaction(s) for transfer of resources, services, technology, or obligations ('Other RPTs').	All contracts with related party defined as per Section 2(76) of the Companies Act, 2013, are reviewed for arm's length testing internally basis the international and domestic transfer pricing study. Further, all the transactions are at arm's length.	₹ 1,379

(₹ in Crores)

Name of the Related Party(s)	Nature of Relationship	Nature, tenure and particulars of transactions	Salient Terms	Amount of the transaction
Tata Cummins Private Limited ('TCPL')	50-50% joint venture company between Cummins Inc., USA and Tata Motors Limited, India. Ms. Shveta Arya, who was appointed as Managing Director of the Company (also, the Key Managerial Personnel as per Section 203 of the Companies Act, 2013) effective September 01, 2024, was appointed as Non-executive Director of TCPL w.e.f. October 22, 2024.	As part of regular business operations: 1. purchase of engines, their parts and accessories thereof by the Company; 2. sale of engines, their parts and accessories thereof by the Company; 3. availing/rendering of any kind of service(s), reimbursements received/paid, rent received/paid, purchase/sale/exchange/transfer/ lease of business asset(s) and/or equipment(s), purchase and sale of export incentive licenses or any other transaction(s) for transfer of resources, services, technology, or obligations ('Other RPTs').	All contracts with related party defined as per Section 2(76) of the Companies Act, 2013, are reviewed for arm's length testing internally basis the international and domestic transfer pricing study. Further, all the transactions are at arm's length.	₹ 1,432
Cummins Technologies India Private Limited ('CTIPL')	CTIPL is a subsidiary of Cummins Inc., USA which is also the holding company of the Company	As part of regular business operations: 1. purchase of engines, gensets, turbochargers, their parts, components and spares by the Company; 2. sale of engines/gensets, their parts, accessories, and spares by the Company; 3. availing/rendering of any kind of service(s), reimbursements received/paid, rent received/paid, purchase/sale/exchange/transfer/ lease of business asset(s) and/or equipment(s), purchase and sale of export incentive licenses or any other transaction(s) for transfer of resources, services, technology, or obligations ('Other RPTs').	All contracts with related party defined as per Section 2(76) of the Companies Act, 2013, are reviewed for arm's length testing internally basis the international and domestic transfer pricing study. Further, all the transactions are at arm's length.	₹ 2,467

(₹ in Crores)

Name of the Related Party(s)	Nature of Relationship	Nature, tenure and particulars of transactions	Salient Terms	Amount of the transaction
Cummins Inc., USA ('CMI')	Holding company of the Company	As part of regular business operations: 1. purchase of engines, gensets, turbochargers, their parts, components and spares by the Company; 2. sale of engines/gensets, their parts, accessories, and spares by the Company; 3. availing/rendering of any kind of service(s), reimbursements received/ paid, purchase/sale/exchange/ transfer/lease of business asset(s) and/or equipment(s), purchase and sale of export incentive licenses or any other transaction(s) for transfer of resources, services, technology, or obligations ('Other RPTs').	All contracts with related party defined as per Section 2(76) of the Companies Act, 2013, are reviewed for arm's length testing internally basis the international and domestic transfer pricing study. Further, all the transactions at arm's length.	₹ 707

Notes:

1. Material related party transactions (RPTs) i.e., transactions exceeding rupees one thousand crore or ten percent of the annual consolidated turnover, whichever is lower, as per the last audited financial statements are provided in the above table for financial year 2025-26. As a part of its regular business, the Company transacts with various companies owned or managed under Cummins Group. Out of such companies, the transactions with CL, TCPL, CTIPL and CMI were expected to be material and for which the shareholders' approval was obtained at the AGM held on August 08, 2025 and through Postal Ballot in January 05, 2026. The actual transaction against these approvals are mentioned in above table. During the FY 2024-25, the total annual consolidated turnover of the Company was ₹ 10,219.24 Crores. The said transactions were also approved by the Audit and Compliance Committee and Board of Directors on February 05, 2025, May 28, 2025, November 06, 2025, December 18, 2025 and February 04, 2026.
2. Similar transactions with related parties are expected in the current Financial Year. Therefore, in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit and Compliance Committee and the Board of Directors have approved these transactions on March 24, 2026, and May 27, 2026, and shall present the same for approval by the shareholders at the ensuing Annual General Meeting.

For and on behalf of the Board of Directors,

Jennifer Mary Bush
Chairperson
DIN: 09777114

Shveta Arya
Managing Director
DIN: 08540723

Date: May 27, 2026
Place: Mumbai

Annexures to the Directors' Report

Annexure 3 – MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry Structure and Developments

Economic Trends and Implications

- The global economy navigated a more challenging landscape in Financial Year 2025-26. While underlying resilience was evident in labour markets and private consumption, the year was marked by an increase in trade policy uncertainty. Global growth is projected to remain resilient at 3.3% in 2026 and at 3.2% in 2027, at rates similar to the estimated 3.3% in 2025[1], as the world adjusts to a landscape reshaped by heightened protectionism and policy fragmentation. Monetary policy across major economies continued its easing trajectory, with several central banks reducing benchmark rates as inflation continued to moderate. Global inflation is expected to decline from an estimated 4.1% in 2025 to 3.8% in 2026 and further to 3.4% in 2027[1].

- The Indian Economy delivered a strong performance in FY 2025-26 with real GDP growth estimated at 7.6% compared to 7.1% recorded in FY 2024-25 under the new measurement framework with base year 2022-23[2]. This broad-based growth was supported by healthy agricultural output, income tax and GST rationalisation measures, front-loaded government capital expenditure, and a benign inflationary environment. Core industry output has reported a growth in FY 2025-26 driven by higher output of cement, steel, and power sectors[3]. Gross Fixed Capital Formation remained structurally important, growing at 7.8% in FY 2025-26[2] compared to 7.1% in the previous FY supported by continued public capex push and gradual revival of private investment.

- Infrastructure development continues to remain a key priority in government policy, with the Union Budget 2026–27 raising capital expenditure to a new record high of ₹12.2 lakh crore, reinforcing the government's sustained emphasis on infrastructure-led growth. Investments remain focused on roads, urban rail, energy grids, and logistics, and are expected to generate strong multiplier effects. The Dedicated Freight Corridor and Multi-modal Logistics Parks continue to advance, with Gati Shakti Cargo Terminals being commissioned, progressively reducing logistics costs and enhancing the competitiveness of Indian goods in global markets.

- The manufacturing sector demonstrated renewed vigour in FY 2025-26, supported by continued policy impetus. The manufacturing sector is expected to gain traction, driven by rising domestic demand, higher capacity utilisation, and supportive government policies including the PLI scheme and the National Manufacturing Mission. India's positioning as a preferred destination for supply chain diversification strengthened further during the year, as global businesses accelerated footprint rebalancing strategies in response to trade tensions. Technology adoption accelerated, with increased deployment of Industry 4.0 solutions, automation, and digital supply chain platforms across sectors.

- Sustainability and decarbonisation achieved landmark milestones in FY 2025-26. India achieved a total non-fossil capacity addition of 55.3 GW during the year, ranking third globally in renewable energy installed capacity[4]. Energy storage systems continued to attract growing investment as a critical enabler of renewable integration and grid stability.

- The overall growth outlook, while positive, faces meaningful headwinds. External demand prospects remain uncertain amid ongoing tariff announcements and trade negotiations, alongside prolonged geopolitical tensions and financial market volatility, all of which pose risks to the growth outlook. Commodity and energy markets remained volatile through the year, with crude oil prices subject to swings driven by OPEC+ production decisions, demand moderation in key economies, and geopolitical supply disruptions. For India,

Sources:
1. World Economic Outlook Update (Jan 2026), International Monetary Fund
2. Ministry of Statistics and Programme Implementation (MOSPI), GoI
3. Office of the Economic Adviser, Department for Promotion of Industry and Internal Trade, GoI
4. Ministry of New and Renewable Energy, GoI

which remains a significant net importer of crude oil, movements in energy prices have direct implications for the current account, domestic inflation, and input costs. The ability to manage this external volatility while sustaining domestic consumption and investment momentum remains the central macro-policy challenge.

2. Opportunities and Threats

Key Opportunities

Power Generation

- FY 2025-26 witnessed robust growth for Power Generation market driven by strong business activity and economic growth across industries. Key segments driving the growth for the Power Generation market included Datacentres, Commercial Realty, Manufacturing, Infrastructure and Quick Commerce
- Datacentre segment for India is witnessing strong and sustained growth, and the company is positioned well to utilise the existing product portfolio tailored for this segment. However, the business is characterised by variability aligned with timing of large project executions and customer commitments.

Industrial

- **Railways:** Indian Railways achieved its electrification target with over 99% of its broad-gauge network of about 68,000 kms electrified as on 31 March 2026. Indian Railways is expected to lay 50,000 kms of new tracks over next 8-10 years. Demand for Diesel Electric Tower Cars (DETCs) is expected to be stable for next 2-3 years. To improve track safety and reliability, Indian Railways initiated procurement of 400+ Track Maintenance Machines. This large scale procurement reflects sustained investments in mechanised track inspection, maintenance and renewal activities, driven by increased traffic density, higher sectional speeds and the operationalisation of Dedicated Freight Corridors. Such initiatives are expected to support steady medium term demand for track maintenance equipment and associated propulsion and power solutions.

  Following the implementation of CPCB IV+ emission norms, The Company has continued its sustained scale up of supply and execution of Power Car DA sets and associated systems for Power Car applications in Linke Hofmann Busch (LHB) passenger coaches. These products continue to demonstrate stable performance in service and reinforce The Company's presence in regulated railway applications. Indian Railways is expected to produce 7500 LHB coaches per year for next 2 years that should result in sustained demand for Power Car DA sets.

  In line with Indian Railways' objective of achieving net zero emissions by 2030, pilot initiatives are underway for alternative propulsion technologies. During FY 2025 26, India's first hydrogen powered trainset successfully completed oscillation and trial runs on select routes, marking a significant milestone under the Hydrogen for Heritage initiative. While such deployments are currently at a pilot stage, they indicate a long term shift toward low and zero-emission rail mobility. The Company continues to closely monitor these developments and remains open to participation through relevant technologies as & when the ecosystem evolves in a sustainable manner.

- **Mining:** India has achieved a one-billion-tonne Coal Production second year in a row, which will strengthen country's energy security. Coal continues to be a cornerstone of the economy, powering over 74% of India's electricity and meeting roughly 55% of the total national energy demand. Growth in domestic coal production is expected to have a favourable impact on the Heavy Earth Moving Machinery (HEMM) market in the medium term for which the Company is a critical technology partner to leading OEMs. The company has also made higher inroads into the Underground Mine trucks, Motor Graders, Dozers and Stone Crusher segments with its wide range of engines for each of these applications.
- **Marine:** Indian Navy and Coast Guard have undertaken a fleet expansion and modernization plan backed by the 'Aatmanirbhar Bharat' initiative of the Central Government. The Union Budget's proposal of a ₹25,000 crore Maritime Development Fund reflects the government's continued focus on strengthening the marine

and shipbuilding sector. Large government and private shipyards have announced initiatives aimed at supporting inland water transport and enhancing port infrastructure, contributing to increased activity in the commercial marine space. Government funding towards green ship building and availability of easy financing is expected to sustain demand over next few years. The company is well positioned to capitalize on these market opportunities and has made significant inroads by securing and delivering complex projects with engines and generator sets for Green Tugs, Multi-Purpose Vessels, New Generation Offshore Patrol Vessels, Ocean Research Vessels, Fleet Support Ships and Submarine applications.

- **Oil & Gas:** Strong momentum in city gas distribution network expansion due to planned increase in CNG stations from 8,700 now to 17,000 by 2030. In line with this, the Company continues to supply gas compression engines to leading OEMs, reinforcing its established presence in this space.

- **Defence:** Allocation of funds by Government of India to focus on indigenous design, development, and manufacturing, along with promotion of exports of defence equipment is expected to boost domestic production and sustain multi-year growth. The Company is positioning itself for long term sustainable growth on critical technology engine platforms through collaboration and strategic partnerships with OEMs in this sector for both wheeled and tracked applications. The company has been able to seed its engines for Advanced Towed Artillery Gun Systems & Light Tanks platforms which are expected to grow significantly in the medium term.

- **Pumps:** The Company is pursuing selective growth opportunities in this segment, aligned with current market dynamics and demand conditions. The introduction of FMUL engine in HHP range are opening Local and Global opportunities for growth with leading OEMs in this space.

- **Construction:** The construction sector is poised for rapid growth over the next decade, driven by an accelerated pace of infrastructure development and substantial government capex. Continued public capital expenditure and strong private sector participation are driving increased demand for construction and earthmoving equipment. As a leading engine supplier in the construction equipment industry, the company has forged strong partnerships with OEMs, positioning well to capitalize on the favourable industry trends. The company is also working to expand the product offerings aligned to the emerging market requirements, which are expected to help us to address new market segments.

**Sources: Ministry of Railways, IROAF - Indian railways Organization for Alternate fuels, Ministry of Coal, Ministry of Petroleum and Natural Gas, Ministry of Defence, Ministry of Road Transport and Highways and India Investment Grid – Government of India, PIB India; Indian Express; Indian Infrastructure; Government of India portals*

Distribution

- The National Green Tribunal (NGT) and the Commission for Air Quality Management (CAQM) have strengthened regulatory measures in several regions, mandating the retrofitting of diesel generators with emission control solutions. The emphasis on cleaner energy alternatives by the government will increase demand for Dual Fuel Kits (DF kits) and Retrofit Aftertreatment System (RAS).

- Growth outlook for the PowerGen business is positive on the back of strong demand for uninterrupted power supply from datacentres, healthcare, and commercial realty segments. This will fuel aftermarket demand for maintenance, spare parts, and service contracts, ensuring long-term business opportunities.

- Government focus on infrastructure development, rapid urbanization, and increased construction activities is set to drive demand for heavy machinery and equipment across the construction sector. Investment in the infrastructure sector and the increasing pace of project delivery will further boost the utilization of equipment leading to the requirement of maintenance and better aftermarket revenue.

- The Indian Railways is rapidly expanding its infrastructure with high-speed rail initiatives, modernization programs, and the Dedicated Freight Corridor (DFC) projects. Growing demand for reliable maintenance,

efficient operations, spare parts, and service contracts will drive aftermarket growth. The company is actively positioning itself as a one-stop solution partner to Indian Railways (IR), expanding beyond engine checks to offer a broader service portfolio.

- Indian mining industry is increasingly adopting green mining techniques and circular economy models to reduce its ecological footprint. This shift is expected to fuel growing demand for Dual Fuel (DF) kits among customers.
- The government's strong push for Make in India in the defence sector, along with increased focus on strategic stockpiling of critical components amid rising geopolitical uncertainties, is creating significant opportunities for indigenous engine manufacturers.

Exports

- The Company continues to pursue opportunities to grow the PowerGen exports market by focussing on segments like manufacturing, realty and rental.
- The Company is seeing uptick in demand from Manufacturing and Realty in Asia Pacific and residential and low commercial markets in Europe and Latin America.

Key Threats

Power Generation

- With the domestic players expanding their product ranges and international players gaining foothold in the region, competition is intensifying in Powergen segment. As a result, pricing pressure is intensifying across the industry.
- Global supply chain dynamics, raw material availability, and evolving tariff structures may introduce a degree of input cost variability. The Company continues to monitor these developments closely to ensure timely fulfilment of customer commitments.

Industrial

- **Railways:** With near-complete electrification of the broad-gauge network of Indian Railways, increasing the requirement for Diesel Electric Tower Cars (DETCs) for overhead maintenance, incremental demand over the medium term would remain contingent on the timing and scale of Indian Railways' procurement decisions. While The Company continues to invest in electrified product offerings, including Hotel Load Converters and propulsion systems for Self-propelled Accident Relief Trains, this segment remains highly price sensitive and is characterised by relatively longer payback periods, which may impact the pace of market adoption.
- **Mining:** Private Mine Developers and Operators securing long term contracts is likely to slow down procurement of Heavy Earth Moving Equipment. Timely allocation of coal blocks to private players and ramping up of coal production is critical to sustain demand for mining equipment. Low utilization of existing fleets may also impact demand of Heavy Earth Moving Equipment.
- **Oil & Gas:** The short-term impact of gas availability & vulnerability in prices due to geopolitical tensions is a potential risk. The Gas Compression segment moving from engine driven to motor driven compressors may also keep demand subdued in the city gas distribution segment.
- **Construction:** The transition toward next-generation emission norms continues to shape the industry landscape. While the Company remains fully prepared with advanced technology platforms compliant with upcoming ORCM Stage V emission standards, the timing of regulatory notifications, particularly for tracked excavator applications, may influence the pace of adoption of new technologies in certain segments. Nevertheless, the Company's readiness with advanced clean diesel solutions, positions it well to support OEM partners as regulatory transitions take place.

Distribution

- The distribution business continues to benefit from a growing genset installed base; however, the low utilization profile of standby applications structurally moderates aftermarket intensity per asset, potentially tempering revenue growth relative to base expansion.
- Variability in capital procurement cycles within the mining sector could moderate near-term demand and the pace of installed base growth, with a consequent impact on the pace of aftermarket revenue expansion.
- Rail electrification is expected to limit diesel engine deployment to niche applications such as Diesel Electric Multiple Units (DEMUs and power cars, which may reduce the overall maintenance intensity of the installed base, even as the company participates in emerging application segments.
- Intensifying competition in the on-highway aftermarket, driven by the increasing adoption of lower-cost 'will-fit' parts and the introduction of OEM second-line brands, may exert pressure on pricing and impact share of wallet for genuine parts.

Exports

- The Company anticipates volatility in demand due to ongoing geopolitical conflicts and supply chain disruptions.
- The Company is experiencing strong competitive activity in the Powergen segment. Global OEMs as well as Genset assemblers are driving increased competition in the market.

3. Product-wise Performance

Power Generation

- In FY2025-26, the Company has successfully delivered 26000+ gensets across India, with strong adoption in key regions.
- The Company witnessed increased traction for its CAQM-compliant and datacentre-focused product offerings, supporting growth in the Powergen portfolio

Industrial

- **Railways:** The Company has strengthened its market presence with Indian Railways through the supply of complete DETC propulsion packages, CPCB IV+ compliant diesel alternator sets, Engines for Track Maintenance Machines & Shunting locomotives and Hotel Load Convertor (HLC). The company is working actively to deliver the developmental order secured for propulsion systems for High-Speed Self Propelled Accident Relief Trains, Self-Propelled Inspection Cars, 40/50 kVA Under-slung DA Sets for Self-propelled Inspection Car (SPIC).
- **Marine:** The Company has successfully secured multiple complex projects from leading shipyards to build engines and gensets for a wide range of defence and commercial vessels. These projects highlight the Company's growing presence in both propulsion and high-capacity power generation solutions for leading shipyards. The company continues to grow significantly in the commercial marine segment driven by higher penetration and entry into new platforms like green tugs and research vessels.
- **Defence:** The Company has strengthened its capabilities across key defence mobility platforms, supporting a range of critical applications. A prototype engine developed for a strategic defence program has successfully completed field trials and is well-positioned for deployment across multiple platforms. Prototypes have been successfully delivered for various wheeled applications to leading OEMs.

- **Construction:** The Company continues to hold a strong position in the excavator engine segment. FY 2025–26 marked the first full year of operations with the Company's CEV BS V compliant product portfolio in the wheeled application segment, reinforcing its commitment to technological leadership and regulatory compliance.

Distribution

- The Company delivered strong growth driven by a strategic focus on the opportunity to re-power engines by providing cost-effective solutions and creating value across key segments like Railways, Defence, and Powergen.
- The Company strengthened structural revenue by signing new rate contracts and renewing existing ones with customers across mining, infrastructure, and railways. This resulted in higher parts business, while improving price discipline, predictability, and long-term account retention.
- The Company is promoting the applicability of DF Kits beyond power generation segment. A successful pilot in the mining segment, leveraging a variable-speed DF Kit solution, has resulted in enhanced customer engagement and generated encouraging interest from potential customers.
- The Company is installing a Battery Energy Storage System (BESS) at the Master Rebuild Centre (MRC), Phaltan to support Balance of Plant (BoP) testing. The installation will act as a demonstration site, showcasing the solution's capabilities and supporting future customer engagement.

Exports

- Export revenue growth during the year was driven by strong demand for low-horsepower products in Africa, the Middle East, and Europe, alongside continued traction for high-horsepower PowerGen solutions across key international markets, including Europe, the Latin America, Asia Pacific and China

4. New Business Initiatives for Financial Year 2025-26

Power Generation

- The Company launched a new 82.5 kVA CPCB IV+ compliant genset, expanding its Powergen offerings and catering to demand across infrastructure and commercial applications.
- Focusing on customer needs, significant steps were taken to improve the power density of products to reduce the total cost of ownership, lower the maintenance cost and provide the benefit of a smaller installation footprint.

Industrial

- **Railways:** The Company has succeeded in testing and shipment of 40kVA Underslung DA Sets for Self-Propelled Inspection Cars. The company has also secured approvals for serial production of Hotel Load Converters from Indian Railways.
- **Mining:** The Company continues to innovate and develop fit-for-market products for large mining OEMs to expand its presence in domestic and international markets. The products introduction in the mining equipment like Underground Mine Trucks & Dozers are expected to accelerate growth in the coming years.
- **Marine:** The Company continues to gain traction in the marine segment, delivering value to both government shipyards through complex long-term projects from Offshore Patrol Vessels to Fleet Support Ships and to commercial shipbuilders across the country on multiple applications including Green Tugs and Ocean Research Vessels with diverse range of engines and generator sets.
- **Defence:** The Company has consolidated its position on critical technology platforms for both wheeled and tracked applications and has secured new orders for specialized vehicle applications from Defence OEMs. The

Company is well positioned for growth on the Advanced Towed Artillery Gun Systems and Light Tanks platforms in coming years.

- **Pumps:** The Company has successfully expanded its product portfolio with high-speed ratings of FM/UL certified engines for the pumps segment and is actively pursuing growth opportunities with global OEMs in both domestic and export markets.
- **Construction:** The Company will continue to focus on expanding its product portfolio with unregulated and electronic engines for higher tonnage excavators, which continues to offer excellent value proposition to our partners. The Company is fully ready with advanced engines on fuel – agnostic platform with best-in-class power density and efficiency for the compressor & construction segment.

Distribution

- The Company launched its Battery Energy Storage System (BESS) solution in FY 2025–26, expanding its portfolio into energy storage applications and enabling participation in opportunities related to grid resilience and renewable integration.
- The Company introduced DATUM S, a sensor-based solution for real-time fuel tracking and data integration with IoT platforms, enhancing its capabilities in connected and data-driven offerings.
- The Company expanded its on-highway aftermarket portfolio by introducing ~10 new product categories, enhancing its ability to offer fit-for-market solutions and drive growth in the distribution business.
- To expand its presence in the growing low kVA genset segment, the Company is scaling its channel network through the appointment of specialized dealers under the LHP growth strategy. To date, 14 '2S' dealers have been onboarded, improving reach in this segment.
- The company launched Cummins Care App focusing on delivering seamless, end-to-end support for individual users. With intuitive mobile design and real time assistance on service requests and inquiries, the app enhances customer satisfaction and builds trust.

Exports

- The company continued its efforts to improve market penetration for the LHP segment through Fit-for-Market products, Channel initiatives, Pricing and Sales penetration.
- The Company introduced uprated 50L product for Exports markets.
- Along with the improvements in products and processes, the Company is leveraging channel synergy to improve understanding of customer requirements and improve sales.

5. Achievements

Power Generation

- The Company's efforts to improve product accessibility for customers in the Powergen market continues with the expansion of the dealer channel with the GOEMs, from 127 dealers in FY 2024-25 to 133 dealers in FY 2025-26.
- In the high horsepower segment, the Company continues to execute large orders for multiple hyperscale datacentres coming up in India. Hyperscale datacentres present a huge business potential, and the Company is well positioned to expand its presence in this segment and meet the stringent customer requirements.

Industrial

- **Railways:** The Company has further strengthened its strategic engagement with Indian Railways through the successful development and deployment of a broad portfolio of solutions for passenger and utility applications. During the year, the Company achieved key milestones including the successful testing and supply of 40 kVA underslung Diesel Alternator sets for Self-Propelled Inspection Cars (SPIC) and the securing of developmental orders for propulsion systems for High-Speed Self-Propelled Accident Relief Trains (HS-SPART). The Rail segment has been the largest contributor to the overall revenues of the domestic Industrial Markets business.
- **Mining:** The Company has made inroads in Heavy Earth Moving Machinery (HEMM) market by securing orders from key OEMs on Surface Mining, Dump Trucks, Excavators and Stone Crusher segments.
- **Marine:** Fastest growing segment in Industrial Markets business in FY'26. The Company recorded the highest ever annual sales driven by robust execution of complex projects for both government and commercial shipyards. Order Intake continues to be healthy pointing to a sustainable growth in the coming years.
- **Defence:** Successful delivery and field trials of prototype engine for a key program of Indian Army is expected to fuel growth on this platform in coming years.
- **Construction:** Driven by strong customer engagement and technological capabilities, the Company secured new business from both existing and new customers during the year. In particular, the Company recorded encouraging traction in electronic engine platforms, which provide improved efficiency, performance, and cost advantages to OEM partners. The strong trust and confidence built with leading OEM partners is also reflected in the recognition and awards received from customers during the year, highlighting the Company's continued focus on quality, reliability, and long-term partnership.

Distribution

- The Company achieved highest Net Promoter Score (NPS) globally of 90% which is the testimony of customer loyalty towards the Company, and its service support.
- The Company delivered its first end-to-end aftermarket solution involving the supply, installation, and commissioning of a repowered QSK95 DA engine for a prestigious defence application.
- The Company achieved its first Product Carbon Footprint (PCF) certification for the K50 G3 rebuild engine, awarded by Bureau Veritas, validating the lower environmental impact of rebuild engines compared to new engines.
- The Company was awarded a three-year AMC for RMPUs across LHB and conventional passenger coaches, marking a significant step in expanding its presence in the railway coach maintenance segment.
- The Company successfully validated the startability of its QSB6.7 CPCB IV+ engine under low temperature and high-altitude conditions, in collaboration with a defence OEM partner, demonstrating its capability for deployment in extreme operating environments.

Exports

- The Company witnessed sustained strong demand in PowerGen exports driven by High Horsepower products for Realty and Manufacturing segments.
- The Company also introduced 500 kVA emissionised product for Chile market.

6. Outlook and Initiatives for the Current Year and Thereafter

Power Generation

- The Company will focus on enhancing current products particularly in high horsepower range and developing value added offerings for the customers, given an extremely high demand in the datacentre space.
- With greater focus on more stringent environmental norms in the future, the Company is positioned favourably as a pioneer in producing engines with cleaner technology.
- Power back-up solutions operating on alternate energy sources are expected to enter the power generation landscape in the coming years. The Company sees these technologies as opportunities to serve customers since they become more viable.

Industrial

- The Company continues to invest significantly on localization initiatives to offer locally manufactured products to customers and support the Government of India's "Make in India" and "Atmanirbhar Bharat" initiative.
- **Railways:** With near 100% electrification of broad-gauge network of Indian Railways, the Company has invested to pursue growth opportunities in electrified propulsion system solutions like the High-Speed Self Propelled Accident Relief Trains while continuing to maintain its strong positioning on its diesel product portfolio.
- **Mining:** The Company continues to invest in new technologies in mining segment for higher capacity (> 190 tons) dump trucks and for migration to future emission regulations (CEMM). The rising demand of engines for the underground mining Trucks are significant growth opportunities going ahead.
- **Marine:** The Company is well positioned to consolidate its positioning and relationship with the Indian Navy, Coast Guard as well as major shipyards to offer engines, diesel electric propulsion and genset packages for upcoming naval & Green tug transition programme (GTTP).
- **Defence:** The Company is well placed to address emerging opportunities resulting from Government of India's focus on giving boost to domestic defence manufacturing industry and participating in key strategic defence projects.
- **Construction:** Construction segment in India is expected to witness healthy growth driven by increased momentum in implementation of infrastructure projects. Growth in portable compressors and drilling applications is also expected to create incremental demand for high-performance engine platforms, particularly in infrastructure development, mining, and quarrying operations. The Company is also strengthening its focus on export markets, leveraging its technology capabilities and manufacturing strength to cater to growing demand across international markets. Further the company's presence in the high growth specialised equipment category combined with its expanding technology portfolio and deep OEM partnerships, is expected to enable it to grow ahead of the broader construction equipment market over the medium to long term.

Distribution

- The Company is scaling its presence in the low kVA genset segment through targeted product offerings and channel expansion initiatives to capture growth in this high-demand segment.
- The Company is exploring AI-enabled solutions to enhance customer engagement and provide field teams with improved visibility into customer and asset information, enabling more effective and proactive service.

Exports

- The Company is focused on increasing the exports of its products and is positioned strongly in the marketplace across key geographies.
- Focusing on customer needs, the Company has taken significant steps to improve engagement with customers from Latin America, Asia Pacific, Africa and Middle East regions.

7. Risks and Concerns the Management Perceives

- The Company's export growth continues to be linked to demand conditions in key partner geographies. The escalation in global trade tensions during FY 2025-26 has created a more complex environment for export-oriented businesses.
- While private capital investment showed improvement in FY 2025-26 relative to prior years – aided by income tax relief, GST rationalisation, and lower inflation – the pace of private capex recovery remains uneven across sectors. Any slowdown in the global industrial cycle could have knock-on effects on domestic capital goods demand.
- Further, the Company has identified certain sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the Company's business which includes Climate action and Cybersecurity. The detailed information is provided in the Business Responsibility and Sustainability Report which is appended as Annexure 12 and forms part of this Report.

Measures to Mitigate Risks

- To counter the slowdown in global economic growth and demand, it was imperative to maintain focus in the domestic market. New product and market development, overall portfolio diversification and better regional penetration for existing products was and will continue to be the focus areas for the Company.
- Various cost reduction, efficiency improvement and transformation programs, which leverage Six Sigma approach have had a positive influence on the Company's profitability. Continued focus on these efforts will help the Company to maintain cost leadership in the domestic market and will remain the preferred source for exports.
- The Company continues to implement Supply Chain Digitalization initiatives to leverage latest technologies, connect systems end-to-end and use analytics to improve decision making with the help of real time data. Advanced digital tools in manufacturing, planning, logistics and quality have helped the Company to address emerging risks faster and enabled automated risk mitigation controls.
- The Company is actively working on its supply chain for further improvements. Dual sourcing adjusted payment terms with financially weaker suppliers, price revisions, long term supplier agreements, inventory building (areas wherever necessary) are some of the measures that the Company is taking to make the supply chain more agile and resilient against disruption.

8. Internal Control Systems and its Adequacy

The Company has established adequate internal control procedures, commensurate with the nature of its business and size of its operations. These controls have been designed to provide a reasonable assurance regarding maintenance of proper accounting controls for ensuring orderly and efficient conduct of its business, monitoring of operations, reliability of financial reporting, accuracy and completeness of the accounting records, the timely preparation of reliable financial information, protecting assets from unauthorized use or losses, prevention and detection of frauds and errors, and compliances with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

To provide reasonable assurance that assets are safeguarded against loss or damage and that accounting records are reliable for preparing financial statements, the Management maintains a system of accounting and controls, including an internal audit process. Internal controls are evaluated by the Internal Audit department and supported by the Management reviews. All audit observations and follow up actions thereon are tracked for resolution by the Internal Control function and reported to the Audit and Compliance Committee. As an ongoing program, for the reinforcement of the Cummins Code of Conduct is prevalent across the organization. The Code covers transparency in financial reporting, ethical conduct, regulatory compliance, conflicts of interests review and reporting of concerns. Anti-fraud programs including whistle blower mechanisms are operative across the Company.

The Board and the Risk Management Committee take responsibility for the overall process of risk management throughout the organization. Through an Enterprise Risk Management program, the Company's business units and corporate functions address opportunities and the attendant risks through an institutionalized approach aligned to the Company's objectives. The business risk is managed through cross functional involvement and communication across businesses. The results of the risk assessment and residual risks are presented to the Senior Management. The Risk Management Committee reviews business risk areas and business continuity plans inter-alia covering leadership excellence, customer centricity, technical capability and capacity, VPI execution, legal & environmental compliances and data security.

9. Key Financial Ratios

a. Details of key changes in key financial ratios including significant changes i.e. change of 25% or more as compared to the immediately previous financial year along with detailed explanations:

Particulars	**FY 2025-26**	FY 2024-25	**Explanation for significant change**
Debtor Turnover Ratio	**4.81**	4.73	Not Applicable
Inventory Turnover Ratio	**7.00**	6.73	Not Applicable
Interest Coverage Ratio (Debt Service Coverage Ratio)	**219.57**	180.81	Not Applicable
Current Ratio	**3.32**	3.12	Not Applicable
Debt Equity Ratio	**–**	–	Not Applicable
Operating Profit Margin (%)	**28.9%**	28.9%	Not Applicable
Net profit Margin (%)	**19.60%**	18.43%	Not Applicable

Note: The disclosed financial ratios are in alignment with Schedule III of Companies Act, 2013, as amended and as per guidance note on 'Division II - IND AS Schedule III to the Companies Act, 2013' (Revised in January 2022) issued by Institute of Chartered Accountants of India. Please refer to Note no. 45 of Standalone Financial Statements for additional disclosure.

b. Details of any change in Return on Net Worth as compared to the previous financial year:

Particulars	**Standalone**	
	2025-26	2024-25
Return on Net Worth (%)	**31.92%**	28.92%

Return on net worth is computed as net profit by average net worth. The details of the change in return on net worth are explained in relevant sections above.

10. Human Resources Development and Industrial Relations

The total number of employees including the contractual employees stands at 3,910 as on March 31, 2026.

Leadership Excellence

Your Company focuses on investing and building capabilities in leaders at all levels through various initiatives to develop 'Future Ready' Leaders and build leadership talent for future needs.

In line with our 'Hire to Develop' philosophy, we continue to invest in our Company sponsorship programs and leadership development programs. Details are following:

- **71** employees applied for education assistance to pursue higher education programs using the Global Education Assistance Policy (GEAP).
- The company continues to provide leadership development training through the Building Success in You (BSY) program and Global Leadership Development Program (GLDP).

Hire-To-Develop and Seamless Talent Deployment

Your Company is continuing with the important initiative of hire-to-develop that presents growth opportunities to employees for self-development by taking up responsibilities across functions and businesses. At least **624** professional employees have moved into different roles or functions within the organization. There were **17%** of professional employees who were promoted to the next salary grade due to change in their job profiles and relative advancement in career growth.

As your Company continues to grow and expand, getting visibility to talent insights becomes increasingly important. By standardizing, integrating, and automating talent management processes. Your Company has provided Leaders with an efficient technology-based process called Integrated Talent Management (ITM). ITM touches the key stakeholders - employees, managers, and businesses and enables all to work together to achieve their goals and helps employees reach their full potential with two-way communication and feedback.

Your Company is working on the following strategic initiatives - Reimagine the HR function to meet evolving needs, deliver predictive and prescriptive talent analytics, and empower the workforce through technologies. Under these initiatives, leaders will have more autonomy and accountability to deliver talent management strategies. They will have greater real-time access to talent intelligence by which they can make more informed and proactive decisions. At every level, leaders will have the capability and capacity to deliver on their leadership responsibilities. Your Company is working towards making talent processes, tools, and approaches to be largely harmonized, allowing HR employees to consult more seamlessly across the organization.

Recruitment

Continuing the focus around employing the right and diverse talent at both entry and experienced level and developing them for future roles within the organization, this year, your Company hired a total of **234** professionals with **43** entry-level exempt professionals supplemented with **49** experienced exempt professionals and **138** non-exempt professionals.

The Company hired **58 (75%)** female employees at entry-level in addition to **18 (23%)** female employees at experienced level. Overall female representation in external hiring to **33%**, thus showcasing our commitment towards improving gender equality. Your Company has increased its focus on diversity beyond gender by hiring a workforce from diverse backgrounds like People with Disabilities.

The Company is successfully running the 'Partnership and Engagement' programs with premier B-Schools & Engineering Institutes to hire top Managerial & Engineering talent thereby continuing our focus on 'Hire to Develop' philosophy at an early career.

This year again your Company continued its focus on increasing brand presence on social media platforms and will continue to focus on improving this engagement with the digital media.

Diversity, Equity, and Inclusion (DE&I)

Diversity, Equity, and Inclusion is in the DNA of your Company. Reiterating Mr. J Irwin Miller's (Cummins Inc. Chairman, 1951-1977) famous quote "Character, ability and intelligence are not concentrated in one sex over the other, nor in persons with certain accents or in certain races or in persons holding degrees from universities", your Company has five Employee Resource Groups (ERGs) focusing on the primary dimensions of diversity namely: Gender, Generation, Culture, Person with Disability (PwD), and LGBTQ+. Promoting the organisation's Diversity, Equity and Inclusion agenda, these ERGs work on initiatives that contribute to making organisation's environment 'Inclusive' enabling employees to bring in their full potential at workplace. Initiatives undertaken by these ERGs include revisiting internal policies and processes, introducing new policy or guidelines to support a diverse dimension, rolling out effective workshops and awareness events, conducting audits and recommending workplace adjustments amongst others.

The Company continue to focus on increasing our gender (female) diversified talent, which is today at 27%. As the next step, your Company is working to achieve gender parity in our workforce, by moving the needle to 50% representation of female talent by 2040.

As the Company continue to hire primarily through our campus and lateral hiring, it is also focusing on the pool of talent who have taken a career break but are now all geared up to restart their career through a specially curated program offered by Cummins.

To advance our commitment to achieving 50% representation of women by 2040, Cummins continues to invest in a robust portfolio of development programs tailored for women across diverse roles. 'She In Aftermarket' strengthens the talent pipeline within our Aftermarket organization; 'DISHA' provides focused development for women in our plant locations; and 'Empower Her focusses on building a pipeline of women leaders in the company. Programs are also delivered with our partners which includes the Society of Women Engineers. Emerging women talent in Supply Chain continue to benefit from WISCON – conference for women in supply chain. All of them collectively enable capability building and career progression for women across the enterprise.

In this journey, the WE Network (Women Empowerment Network) ERG will continue to be a strong partner with the business.

'Wings', Employee Resource Group, focused on hiring and providing a conducive environment to Persons with Disability, celebrated International Day of Persons with Disabilities (IDPWD) inviting senior India and global leaders to address the audience and had persons with disabilities share their success stories which inspired many. The Company also prioritising how it can create a safe and inclusive environment in the Company to also attract the LGBTQ+ talent. 'India Pride', ERG for LGBTQ+ community worked on creating more awareness, promoting Pride Ally program, sensitization and creating a safe space for the LGBTQIA+ employees. Policy changes such as offering Company Medical insurance to same sex couples and Safe manager trainings are steps taken to make your Company a safe and inclusive place to work. Another key area of focus is under-represented regions of our country in the workforce i.e., talent from Northeast India. Our ERG, 'Ekam', is concentrating on spreading more awareness about different regions, cuisines, cultures etc through events, webinars, and competitions. In addition, your Company has an ERG, 'NeXus', focused on generation awareness and is also aspiring to improve the representation of "veterans" in our workforce. The Glocal, affinity group facilitates access to essential resources and supports the engagement and integration of global talent relocating to Cummins India."

Your Company is being successful in consistently delivering on its commitment to provide an inclusive environment to a diverse workforce guided by a defined DEI strategy, senior leader's commitment to lead, to advocate and to advise on issues related to diversity and inclusion are critical.

Megasite Update

At Cummins Megasite, Phaltan, living up to the spirit of 'One Cummins', your Company continues to move talent seamlessly within all the plants based on employee and business needs. Your Company believes in "Hire to Develop" and acts by providing internal opportunities as well as recruitment of fresh talent through campus recruitment. Right talent balance is achieved through hiring special skills from outside to meet business talent needs.

At Cummins Megasite, your Company has achieved **20%** female representation amongst the shop-floor employees and **21%** female representation amongst the professional employees. The Company is actively working on implementing a broad plan to ensure retention & engagement of employees at Megasite, part of which has already been implemented.

Right Environment

Your Company is committed to fostering a physically and psychologically safe, integrity based, respectful, inclusive, high-performance culture that breaks down hierarchies and organizational boundaries while engaging the full talent of our diverse employees to delight all our stakeholders consistently. Your Company's efforts to drive awareness and commitment amongst employees towards 'Cummins Code of Business Conduct', 'Treatment of Each Other at Work' Policy and other Ethics and Compliance policies continue year on year through various communication platforms, trainings, emailers, portals, posters etc. which helps in creating and sustaining the right environment for all the stakeholders, both internal and external to the organization. Every year, your Company utilizes its learnings via various speak up channels and ensures to upgrade all relevant policies to help its employees unleash their full potential. In addition to the other policy awareness and trainings, the Company also focuses its efforts on creating awareness, through training, posters, email communications etc. on "Prevention of Sexual Harassment" under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act").

Annexures to the Directors' Report

Annexure 4 – CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance is a set of principles, processes and systems to be followed by the Directors, Management and all employees of the Company for enhancement of shareholder value, keeping in view interests of all stakeholders. Integrity, transparency, and compliance with applicable laws in all dealings with government, customers, suppliers, employees and other stakeholders are the objectives of good corporate governance. These principles and objects are embodied in your Company's philosophy on the Corporate Governance. Your Company continues to adopt and practice these principles of good Corporate Governance while ensuring integrity, transparency, and accountability at all levels in the organization. Your Company believes that corporate governance is instilled in its values and principles. Your Company's continued commitment to ethical business practices is reflected across all our operations. It inspires the Company to establish benchmarks that not only fulfill statutory requirements but also exceed them.

Your Company believes that good governance is the foundation for a truly sustainable company. Our commitment is to do what is right and to do what we say we will do. This long-standing commitment to integrity provides the framework for all our business activities and serves as the foundation for the Company's governance policies and procedures. Your Company's Board of Directors represents and protects the interests of the Company's stakeholders, with the legal responsibility for overseeing the affairs of the Company.

2. BOARD OF DIRECTORS:

a) Composition of the Board of Directors, attendance at Meetings and other details as on March 31, 2026:

Composition:

During the financial year under review, the composition of the Board was in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'the Listing Regulations') read together with Section 149 and 152 of the Companies Act, 2013 ('the Act') and rules framed thereunder. As on March 31, 2026, the Board comprises of 10 Directors, with 1 (Executive) Woman Director, 4 (Non-executive and Non-independent) Directors that includes 1 Woman (Non-executive and Non-independent) Director, 5 Independent (Non-executive) Directors that includes 3 Women Independent (Non-executive) Directors. The name and brief profile of Board of Directors of the Company is accessible on the website of the Company at https://www.cummins.com/en/in/investors/cummins-india-limited-board-of-directors.

Ms. Jennifer Mary Bush (DIN: 09777114), Non-executive Director, is the Chairperson of the Board of Directors of the Company effective November 07, 2023, and Ms. Shveta Arya (DIN: 08540723) is the Managing Director of the Company effective September 01, 2024.

During the financial year under review, six Board Meetings were held and the gap between two Meetings did not exceed one hundred and twenty days. The said Meetings were held on May 28, 2025, August 07, 2025, November 06, 2025, December 18, 2025, February 04, 2026, and March 11, 2026, for which the requisite quorum was present.

All Independent Directors attended the separate Meeting of Independent Directors held on February 04, 2026, in compliance with Regulation 25 of the Listing Regulations.

The Independent Directors, after considering the views of Executive Directors and Non-executive Directors, reviewed the performance of Non-independent Directors, the Board as a whole and the Chairperson of the Company for the financial year 2025-26.

The names and categories of the Directors on the Board, DIN and their attendance at Board Meetings held during the financial year under review including attendance at the last Annual General Meeting ("AGM") along with other details are hereunder:

Details of the Board Meeting(s)								Date of the AGM
Name of the Director	May 28, 2025	Aug 07, 2025	Nov 06, 2025	Dec 18, 2025	Feb 04, 2026	March 11, 2026	% of attendance of a Director	Aug 08, 2025
Chairperson (Non-executive Director)								
Ms. Jennifer Mary Bush (DIN: 09777114)	✓	✓	✓	✓	✓	✓	100	✓
Managing Director (Executive Director)								
Ms. Shveta Arya (DIN: 08540723)	✓	✓	✓	✓	✓	×	83.33	✓
Non-executive Directors								
Mr. Donald Jackson Gray (DIN: 08261104)	✓	✓	✓	✓	✓	✓	100	✓
Ms. Bonnie Jean Fetch[2] (DIN: 09791477)	×	NA	NA	NA	NA	NA	0.00	NA
Mr. Cornelius O' Sullivan (DIN: 10829830)	✓	✓	✓	×	✓	✓	83.33	✓
Mr. Thierry Bruno Pimi Nouyeuwe[3] (DIN: 11225590)	NA	NA	✓	✓	✓	✓	100	NA
Independent (Non-executive) Directors								
Ms. Rama Bijapurkar[4] (DIN: 00001835)	✓	NA	NA	NA	NA	NA	100	NA
Ms. Vibha Paul Rishi[5] (DIN: 05180796)	NA	NA	✓	✓	✓	✓	100	NA
Ms. Rekha (DIN: 08501990	✓	✓	×	✓	✓	✓	83.33	✓
Ms. Lira Goswami (DIN: 00114636)	✓	✓	✓	✓	✓	✓	100	✓
Mr. Sekhar Natarajan (DIN: 01031445)	✓	✓	✓	✓	✓	✓	100	✓
Mr. Farokh N. Subedar (DIN: 00028428)	✓	✓	✓	✓	✓	✓	100	✓

Notes:

1. Mr. Farokh N. Subedar, Director (Non-executive and Independent), attended the AGM as the Chairperson of Audit and Compliance Committee of the Board of Directors of the Company. Ms. Lira Goswami, Director (Non-Executive and Independent), attended the AGM as the Chairperson of Stakeholders Relationship Committee of the Board of Directors of the Company. She also represented as Chairperson of the Nomination and Remuneration Committee of the Board of Directors of the Company for the AGM as approved by the Board at their Meeting held on May 28, 2025. Mr. Sekhar Natarajan, Director (Non-executive and Independent), attended the AGM as the Chairperson of Risk Management Committee of the Board of Directors of the Company.

2. Ms. Bonnie Jean Fetch resigned as Director (Non-executive and Non-independent) of the Company with effect from May 29, 2025, pursuant to her role change within the Cummins Group. Consequently, she also ceased to be a Member of Nomination and Remuneration Committee and Corporate Social Responsibility and Sustainability Committee (erstwhile known as Corporate Social Responsibility Committee) of the Company effective same day. She had confirmed vide her resignation letter that there were no other material reasons for her resignation.

3. Mr. Thierry Bruno Pimi Nouyeuwe was appointed by the Board as an Additional Director (Non-executive and Non-independent) with effect from August 09, 2025, and regularized as a Director (Non-executive and Non-independent), liable to retire by rotation, by way of an ordinary resolution passed on October 07, 2025, through postal ballot conducted by remote e-voting process.

4. Ms. Rama Bijapurkar (DIN: 00001835) expressed her intention not to continue as an Independent Director of your Company for second term due to preoccupations, developments in her professional portfolio and shift in her ongoing commitments. Accordingly, Ms. Bijapurkar ceased to be a Non-executive Independent Director of your Company upon completion of her first term of five years with effect from June 16, 2025. Consequently, she also ceased as a Chairperson of Nomination and Remuneration Committee and Corporate Social Responsibility and Sustainability Committee (erstwhile known as Corporate Social Responsibility Committee) of your Company effective same day. She had confirmed vide her letter that, there were no other material reasons, for her cessation pursuant to completion for her first term.

5. Ms. Vibha Paul Rishi was appointed by the Board as an Additional Director (Non-executive and Independent) with effect from August 09, 2025, and was regularized as a Director (Non-executive and Independent) by way of an special resolution passed on October 07, 2025, through postal ballot conducted by remote e-voting process, to hold the office for the period of five (5) consecutive years effective from August 09, 2025, to August 08, 2030, not liable to retire by rotation.

6. Further, none of the Directors are *inter-se* related to each other.

7. Pursuant to circulars/notifications issued by Ministry of Corporate Affairs ('MCA') and SEBI, certain Board and/or its Committees' Meetings and AGM during the financial year were held through Video Conferencing.

The composition of the Board is in conformity with Regulation 17, 17A and 26 of the Listing Regulations read with Section 149 of the Companies Act, 2013.

Pursuant to the provisions of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time, the Independent Directors have submitted *inter-alia* declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act, and Regulation 16(1)(b) and Regulation 25 of the Listing Regulations. Further, the Independent Directors have also confirmed that they are independent of Management. The Independent Directors have further stated that they are unaware of any circumstance or situation which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Company has received confirmation from all the existing Independent Directors of their registration on the Independent Directors Database maintained by the Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The details of the familiarization programmes imparted to the Independent Directors can be viewed at https://www.cummins.com/en/in/investors/india-corporate-governance.

Based on the disclosures received from all the Independent Directors and as noted in the Board Meeting held on May 27, 2026, the Board is of the opinion that, all the Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity for the purpose of Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014.

The required information, including information as enumerated in Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, is made available to the Board of Directors, for discussion and consideration at Board Meetings.

b) Details of Directorship and Committee Memberships:

The name of other listed entities in which the Director is a Director and the number of Directorships and Committee Chairpersonships/Memberships held by them in other public limited companies as on date of this Report are stated in the below table:

Name of Directors	Category	No. of Directorships in other Public Limited Companies		No. of Committee positions in other Public Limited Companies***		Directorship in other Listed Companies (Category of Directorship - Independent and Non-executive Director)
		*Chairperson	*Member	**Chairperson	Member	
Ms. Jennifer Mary Bush (DIN: 09777114)	Non-executive and Non-independent	–	–	–	–	–
Ms. Shveta Arya (DIN: 08540723)	Executive and Non-independent	–	–	–	–	–
Ms. Vibha Paul Rishi (DIN: 05180796)	Non-executive and Independent	–	3	2	3	Independent Directorships as below; ▪ ICICI Bank Limited ▪ ICICI Prudential Life Insurance Company Limited ▪ Piramal Pharma Limited
Ms. Rekha (DIN: 08501990)	Non-executive and Independent	–	–	–	–	–
Ms. Lira Goswami (DIN: 00114636)	Non-executive and Independent	–	1	–	1	Independent Directorships as below; ▪ Maruti Suzuki India Limited
Mr. Donald Jackson Gray (DIN: 08261104)	Non-executive and Independent	–	–	–	–	–
Mr. Sekhar Natarajan (DIN: 01031445)	Non-executive and Independent	1	1	2	3	Independent Directorships as below; ▪ Ingersoll–Rand (India) Limited ▪ Colgate–Palmolive (India) Limited
Mr. Farokh N. Subedar (DIN: 00028428)	Non-executive and Independent	–	–	–	–	–
Mr. Cornelius O'Sullivan (DIN: 10829830)	Non-executive and Non-independent	–	–	–	–	–
Mr. Thierry Bruno Pimi Nouyeuwe (DIN: 11225590)	Non-executive and Non-independent	–	–	–	–	–

* Number of Membership of Board includes Chairpersonship of Board of Indian Companies.
** Number of Membership of Committees include Chairpersonship of Committees of Indian Companies.
*** Pertains to memberships/chairpersonships of the Audit Committee and Stakeholders' Relationship Committee of other Indian public companies as per Regulation 26(1)(b) of the Listing Regulations.

As per the records available with the Company, none of the Directors hold the office of Independent Director in more than seven listed companies and ten public companies.

The details given in the table are as per Regulation 26 and Schedule V of the Listing Regulations.

c) Disclosure of Expertise or Skills of Directors:

The Directors appointed on the Board are from diverse backgrounds and possess expertise in the fields that they represent which enables them to effectively contribute to deliberations at Board and Committee Meetings. In terms of the Listing Regulations, the Board has identified following core skills/areas of expertise of the Directors as given below:

Sr. No.	Core Skills/Expertise	Description of the Skill/Expertise
1.	General Management and Leadership and Business Strategy	Extended leadership experience resulting in a practical understanding of organizational systems and processes, complex business and regulatory environment, strategic planning, risk management, understanding of emerging local and global trends and management of accountability and performance. Demonstrated strengths in developing talent, planning succession, driving change and long-term growth & guiding the Company towards its vision, missions, and values. In depth experience in business strategy.
2.	Financial and Accounting, Risk Management and Financial Control, Treasury and Investment Management Expertise/ Experience	In depth understanding of finance and financial reporting processes, taxation, proficiency in complex financial management, capital allocation and resource utilization across business lines and geography of operations. Understanding of financial policies and accounting statements. Understanding risk matrix and mitigation plans and enhance internal controls. Oversight of treasury function and Investment management.
3.	Global business/emerging Market Experience	Experience in driving business success in markets around the world with an understanding of diverse business environments, economic conditions, regulatory frameworks, sensitivity to cultural diversity and adaptability. Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
4.	Industry Knowledge and Experience	Domain knowledge in businesses in which the Company participates i.e., automotive industry, manufacturing, engineering along with key operational areas such as distribution and supply chain management. Guidance and contribution to growth of the Company along with Board oversight in all dimensions of business and Board accountability.
5.	Governance and Regulatory oversight	Experience in developing insights about maintaining board and management accountability, protecting shareholders' interests and observing appropriate governance practices while driving corporate ethics and values.
6.	Mergers & Acquisitions	Experience of leading growth through acquisitions and other business combinations with ability to access 'build' or 'buy' options and developing the Company through inorganic growth options. Evaluate financial, operational and cultural integration with acquired company or other business combinations.
7.	Sales & Marketing, Supply Chain Management	Ability in developing strategies to increase sales and market share through innovation, build better experience for customers, enhance Company's reputation along with creating brand awareness and leveraging consumer insights for business benefits. In depth experience of supply chain management which includes strategy, logistics and procurement.

Sr. No.	Core Skills/Expertise	Description of the Skill/Expertise
8.	Human Resource Management	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of various stakeholders like customers, partners, employees, and other stakeholders. Recognition and retention of talent in the organization.
9.	Sustainability, Environment and Social Responsibility	Building Company's strategy around sustainability and right environment and achieving success with sense of social responsibility.
10.	Information Technology and Innovation	Significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models leveraging digital/ information technology across the value chain, ability to anticipate.

The following table states the identified core skills/expertise/competencies mapped for each of the Director:

Sr No	Description	Ms. Jennifer Mary Bush	Ms. Shveta Arya	Mr. Farokh N. Subedar	Mr. Sekhar Natarajan	Ms. Vibha Paul Rishi	Ms. Rekha	Ms. Lira Goswami	Mr. Donald Jackson Gray	Mr. Thierry Pimi	Mr. Cornelius O'Sullivan
1	General Management & Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Strategy/ Business Strategy	✓	✓	–	✓	✓	–	✓	–	–	✓
3	Global Business/ Emerging Markets	✓	✓	–	–	–	✓	–	✓	✓	✓
4	Industry Knowledge & Experience	✓	✓	–	✓	✓	✓	✓	–	✓	✓
5	Sales & Marketing	✓	✓	–	✓	✓	✓	–	–	✓	–
6	Mergers & Acquisitions	✓	✓	–	✓	–	–	✓	–	✓	–
7	Financial & Accounting Expertise	–	–	✓	✓	✓	–	–	✓	–	–
8	Risk Management/ Financial Control	–	–	✓	✓	–	–	–	–	–	–
9	Treasury/ Investment Management	–	–	✓	–	–	–	–	✓	–	–
10	Human Resource Management	–	–	–	–	✓	–	–	–	–	–
11	Technology/ Innovation	✓	–	–	–	✓	✓	–	–	–	–
12	Governance & Regulatory Oversight	–	✓	–	–	✓	–	✓	–	–	–
13	Sustainability/ ESG	✓	✓	✓	–	–	–	✓	–	–	–
14	Supply Chain Management	✓	–	–	–	–	–	–	–	–	✓

d) Details of equity shares of the Company held by the Directors as on March 31, 2026, are given below:

None of the Directors hold any shares in the Company.

3. COMMITTEES OF THE BOARD:

The Composition of the Committees of the Board of Directors as on March 31, 2026, is as stated in the below table:

Sr. No.	Name of Committees	Composition
1.	Audit and Compliance Committee	Mr. Farokh Nariman Subedar, Chairperson Mr. Sekhar Natarajan, Member Ms. Lira Goswami, Member Ms. Vibha Paul Rishi, Member[1] Mr. Donald Jackson Gray, Member Ms. Jennifer Mary Bush, Member
2.	Nomination and Remuneration Committee	Ms. Vibha Paul Rishi, Chairperson[1] Mr. Sekhar Natarajan, Member Mr. Farokh Nariman Subedar, Member Ms. Jennifer Mary Bush, Member[2]
3.	Stakeholders' Relationship Committee	Ms. Lira Goswami, Chairperson Mr. Sekhar Natarajan, Member Ms. Shveta Arya, Member Mr. Cornelius O'Sullivan, Member
4.	Corporate Social Responsibility and Sustainability Committee (erstwhile known as Corporate Social Responsibility Committee)	Ms. Lira Goswami, Chairperson[3] Mr. Farokh Nariman Subedar, Member Ms. Shveta Arya, Member Ms. Rekha, Member Ms. Vibha Paul Rishi, Member[1] Mr. Thierry Bruno Pimi Nouyeuwe, Member[4]
5.	Risk Management Committee	Mr. Sekhar Natarajan, Chairperson Ms. Lira Goswami, Member Ms. Shveta Arya, Member Ms. Rekha, Member

1. Ms. Vibha Paul Rishi was appointed as the Chairperson of the Nomination and Remuneration Committee and Member of the Corporate Social Responsibility and Sustainability Committee (erstwhile known as Corporate Social Responsibility Committee) effective August 09, 2025, and as the Member of the Audit and Compliance Committee effective November 11, 2025.

2. Ms. Jennifer Mary Bush was appointed as the Member of the Nomination and Remuneration Committee effective August 09, 2025.

3. Ms. Lira Goswami was appointed as the Chairperson of Corporate Social Responsibility and Sustainability Committee (erstwhile known as Corporate Social Responsibility Committee) effective August 09, 2025.

4., Mr. Thierry Bruno Pimi Nouyeuwe was appointed as the Member of the Corporate Social Responsibility and Sustainability Committee (erstwhile known as Corporate Social Responsibility Committee) effective August 09, 2025.

a) AUDIT AND COMPLIANCE COMMITTEE:

As on March 31, 2026, the Audit and Compliance Committee comprised of 6 Directors including 2 (Non-Executive Non-independent) Director – Mr. Donald Jackson Gray and Ms. Jennifer Mary Bush and 4 Independent Directors – Mr. Farokh N. Subedar (Chairperson), Mr. Sekhar Natarajan, Ms. Lira Goswami and Ms. Vibha Paul Rishi.

Meetings and Attendance at the Audit and Compliance Committee Meetings for F.Y. 2025-26:

Name of Directors	Dates of Audit and Compliance Committee Meetings							
	May 28, 2025	Aug 07, 2025	Nov 06, 2025	Dec 18, 2025	Jan 28, 2026	Feb 04, 2026	Mar 24, 2026	% of attendance of a Director
Mr. Farokh Nariman Subedar (Chairperson)	✓	✓	✓	✓	✓	✓	✓	100
Ms. Jennifer Mary Bush	✓	✓	✓	✓	×	✓	×	71.43
Ms. Lira Goswami	✓	✓	✓	✓	✓	✓	✓	100
Mr. Sekhar Natarajan	✓	✓	✓	✓	✓	✓	✓	100
Mr. Donald Jackson Gray	✓	✓	✓	✓	✓	✓	✓	100
Ms. Vibha Paul Rishi[1]	NA	NA	NA	✓	×	✓	✓	75
Ms. Rekha[2]	✓	✓	NA	NA	NA	NA	NA	100

1. Ms. Vibha Paul Rishi was appointed as the Member of the Audit and Compliance Committee effective November 11, 2025.

2. Ms. Rekha ceased to be a Member of the Audit and Compliance Committee effective August 09, 2025, due to reconstitution of the Committee as approved by the Board at its Meeting held on August 07, 2025.

Minimum number of Meetings of the Audit and Compliance Committee during the financial year under review, were complied with.

The Committee reviewed the Audited Financial Statements for the financial year ended March 31, 2026, and Unaudited Financial Results for the Quarters ended June 30, 2025, September 30, 2025, and December 31, 2025. The Committee also reviewed *inter-alia* (i) Appointment and remuneration of Statutory, Secretarial and Cost Auditors of the Company, if any; (ii) Performance of Subsidiary, Joint Ventures & Associates; (iii) Appointment and reports of the Internal Auditor; (iv) Cost Audit Report for the Financial Year 2024-25; (v) Acquisition/sale of assets; (vi) Directors' Responsibility Statement; (vii) Related Party Transactions; (viii) Performance of Statutory and Internal Auditors; (ix) Legal Compliance Report; (x) Major litigations; (xi) Forex Management Policy; (xii) Prohibition of Insider Trading Policies; (xiii) Ethics, Cummins Code of Conduct; (ix) Divestment in the subsidiary of the Company; (x) Investment of funds of the Company and (xi) Appointment of Chief Financial Officer of the Company and related matters.

The Committee had periodic interactions with the Internal, Statutory and Cost Auditors of the Company.

All recommendations of the Committee made during the Financial Year were accepted by the Board of Directors from time to time.

Broad Terms of Reference of the Audit and Compliance Committee:

The Committee primarily acts in line with Section 177 of the Companies Act, 2013, and Regulation 18 of the Listing Regulations.

The Committee oversees the Company's financial reporting process, the system of internal financial controls, the audit process, the Company's system, process, mechanism for monitoring legal and regulatory compliances and ensures that the financial statements are correct, sufficient and credible. The Committee reviews and recommend the annual and quarterly financial statements and/or financial results as may be applicable, before submission to the Board for approval. The Committee is guided by the Charter adopted by the Board, accessible on the website of the Company at https://www.cummins.com/en/in/investors/india-corporate-governance. The Charter is reviewed and re-assessed when deemed fit by the Committee and was last amended on February 05, 2025.

The Committee also reviews Related Party Transactions of the Company and approves the transactions which are in line with the Related Party Transactions Policy of the Company. The Related Party Transactions Policy of the Company is on the website at https://www.cummins.com/en/in/investors/india-corporate-governance.

Related Party Transactions Policy: The Policy regulates all transactions between the Company and its related parties. Pursuant to the relevant provisions of Section 188 and any other applicable provisions of the Companies Act, 2013, and Rules framed thereunder, Regulation 23 of the Listing Regulations and various circulars issued by SEBI, the Policy was last revised and adopted in the Board Meeting held on February 04, 2026, effective from the same day.

The Committee has been entrusted with the following responsibilities/Terms of Reference for review of financial reporting process and system of internal financial controls:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- To recommend appointment, remuneration and terms of appointment of Auditors (Statutory Auditors, Secretarial Auditor, Cost Auditor and Internal Auditor) of the Company and to approve payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- To review with the Management, the annual and quarterly financial statements and Auditor's Report thereon before submission to the Board for approval;
- To review, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the end utilization of proceeds of a public issue or rights issue, and or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter;
- To review and monitor the auditor's independence, performance, experience, qualification, and effectiveness of audit process along with performance of statutory and internal auditors, adequacy of the internal control systems;
- To approve transactions of the Company with related parties and/or any subsequent modification thereof including material modification(s);
- Scrutiny of inter-corporate loans and investments to evaluate undertakings or assets of the Company, wherever it is necessary;

- To evaluate internal financial controls and risk management systems;
- To review compliance and reports as may be applicable, pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015;
- To review the adequacy of internal audit function, discuss with Internal Auditors of any significant findings and follow up thereon, review the findings of any internal investigations into matters of a material nature and reporting the matter to the Board;
- To discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower Policy and/or Vigil Mechanism;
- To review and recommend the Cost Audit Statements and Cost Audit Report to the Board of Directors;
- To approve appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- To review utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower or such other limit as may be prescribed.
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- To carry out any other function as may be delegated by the Board or as may be prescribed under applicable laws from time to time.

The Committee has been entrusted with the following responsibilities/terms of reference for review of legal and regulatory compliances:

- To review the system and/or framework devised for monitoring and implementing compliance with applicable laws, rules and regulations, to ensure that the same is adequate and operating effectively and to recommend changes required if any;
- To note the overall compliance status by periodically reviewing the Legal Compliance Report including management responses thereto;
- To review the legal cases filed by and against the Company, as per the threshold approved by the Board and/or Committee from time to time and significant government inquiries or investigations and other significant legal actions, if any;
- To review significant current and upcoming amendments to the laws, rules and regulations that may impact business operations, performance, strategy or reputation of the Company;
- To review ethics updates periodically;
- To aid management in developing a strong compliance culture at all levels in the Company resulting in appropriate consideration of compliance risks in key strategic and business decisions;
- To carry out any other function as may be delegated by the Board or as may be prescribed under applicable laws from time to time.

Compliances regarding Prohibition of Insider Trading Code & Fair Disclosure Code: The Company has a separate "Code of Fair Disclosures and Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives of Designated Persons" in listed securities of the Company ("Code of Conduct"), in line with SEBI (Prohibition of Insider Trading) Regulations, 2015 (and amendment thereof) ("SEBI Regulations"). The said Code is applicable to all Directors, Designated Persons and Connected Persons, as defined under the said Code of Conduct. The trading window is closed during the time of declaration of results and occurrence of any material events, if any, as per the Code. By frequent communication and sensitization sessions, the Company makes designated persons conversant of the obligations under the Code of Conduct and the SEBI Regulations. The Code is also uploaded on the website of the Company and is accessible at https://www.cummins.com/en/in/investors/india-corporate-governance.

The Code of Fair Disclosure forms part of Code of Conduct of the Company ("Fair Disclosure Code"), for Disclosure of Unpublished Price Sensitive Information (UPSI) pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2018 (Amendment) and which was brought into effect from April 01, 2019, in order to protect and preserve the confidentiality of UPSI, ensures timely and adequate disclosure of UPSI and to maintain uniformity, transparency and fairness in dealing with all its stakeholders. The Code is also uploaded on the website of the Company and is accessible at https://www.cummins.com/en/in/investors/india-corporate-governance.
The Code of Conduct was last amended by the Board of Directors on May 28, 2025.

The Audit and Compliance Committee and the Board at its Meeting held on May 27, 2026, had reviewed the compliance in terms Regulation 9A(4) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, and confirmed that the Company has put in place adequate and effective system and/or controls to ensure compliance with the said Regulations.

b) NOMINATION AND REMUNERATION COMMITTEE:

As on March 31, 2026, the Committee comprised of 4 Directors including 1 (Non-executive Non-independent) Director – Ms. Jennifer Mary Bush and 3 Independent Directors – Ms. Vibha Paul Rishi (Chairperson), Mr. Sekhar Natarajan and Mr. Farokh N. Subedar.

Meetings and attendance at the Nomination and Remuneration Committee Meetings for F.Y. 2025-26:

Name of Directors	Dates of Nomination and Remuneration Committee Meetings						
	May 28, 2025	Aug 07, 2025	Nov 06, 2025	Dec 11, 2025	Feb 04, 2026	Mar 11, 2026	% of attendance of a Director
Ms. Rama Bijapurkar[1] (Chairperson)	✓	NA	NA	NA	NA	NA	100
Ms. Vibha Paul Rishi[2] (Chairperson)	NA	NA	✓	✓	✓	✓	100
Ms. Jennifer Mary Bush[3]	NA	NA	✓	✓	✓	✓	100
Mr. Farokh Nariman Subedar	✓	✓	✓	✓	✓	✓	100
Mr. Sekhar Natarajan	✓	✓	✓	✓	✓	✓	100
Ms. Lira Goswami[4]	✓	✓	NA	NA	NA	NA	100
Ms. Bonnie Jean Fetch[5]	×	NA	NA	NA	NA	NA	0

1. Ms. Rama Bijapurkar ceased to be a Non-executive Independent Director of the Company upon completion of her first term of five years with effect from June 16, 2025, pursuant to which she also ceased as Chairperson of Nomination and Remuneration Committee effective June 16, 2025.

2. Ms. Vibha Paul Rishi was appointed as the Chairperson of the Nomination and Remuneration Committee effective August 09, 2025.

3. Ms. Jennifer Mary Bush was appointed as the Member of the Nomination and Remuneration Committee effective August 09, 2025.

4. Ms. Bonnie Jean Fetch ceased as Director (Non-executive and Non-independent) with effect from May 29, 2025, consequent to which she also ceased to be a Member of Nomination and Remuneration Committee effective May 29, 2025.

5. Ms. Lira Goswami ceased to be a Member of Nomination and Remuneration Committee effective August 09, 2025.

Minimum number of Meetings of the Nomination and Remuneration Committee during the financial year under review, were complied with.

The Committee reviews the appointment of Directors, Key Managerial Personnel and Senior Management. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a Director. The Board upon recommendation from the Committee has formulated a policy relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The Committee is guided by the Nomination and Remuneration Policy and Nomination and Remuneration Committee Charter accessible on the website of the Company at https://www.cummins.com/en/in/investors/india-corporate-governance. The Policy is reviewed and re-assessed as deem fit by the Committee and was last amended on May 28, 2025. The Board had last revised the Nomination and Remuneration Committee Charter effective May 28, 2025.

Broad Terms of Reference of the Nomination and Remuneration Committee:

The role and terms of reference of the Committee primarily covers the areas as contemplated under Section 178 of the Companies Act, 2013, and Regulation 19 of the SEBI Listing Regulations and is as follows:

- To identify persons who are qualified to become directors and who may be appointed as Key Managerial Personnel and Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a remuneration policy, relating to the remuneration for the Directors, Key Managerial Personnel, and other employees;

- Formulation of criteria for evaluation of performance of Independent Directors, Non-Executive Directors, the Board and Committees of the Board as per applicable laws;

- To evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required for appointment of an independent director.

- Devising a policy on diversity of the Board of Directors as a part of overall Nomination and Remuneration Policy;

- Recommend to the Board, all remuneration, in whatever form, payable to the Directors, Key Managerial Personnel and Senior Management;

- Identify whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors or on the basis of a review of skills matrix of the Board of Directors;

- Deliberate on succession planning of Executive and Independent Directors, Key Managerial Personnel and Senior Management.

Performance evaluation criteria for Directors including Independent Directors:

The Committee oversees the evaluation process, undertaken by the Directors, by the Board and by each Committee of the Board to determine their effectiveness and opportunities for improvement. Each Board Member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, value addition, governance and the effectiveness of the whole Board and its various committees in descriptive manner including:

- Reviewing the Performance of the Non-Independent Directors and the Board as a whole;
- Reviewing performance of Committees of the Board;
- Reviewing performance of the Chairperson and the Managing Director of the Company; and
- Assessing the quality, quantity and timelines of flow of information between the Company's Management & the Board.

Feedback on each Director including separate feedback for Managing Director and Chairperson is solicited as a part of the survey. Some of the performance indicators based on which the Independent Directors are evaluated include:

- Ability to contribute to and monitor corporate governance practices of the Company;
- Active monitoring of the strategic direction and operational performance of the Company; and
- Facilitating open and interactive discussion by encouraging diverse perspectives.

The evaluation criteria was duly approved by the Nomination and Remuneration Committee and the Board. Based on the said criteria, a questionnaire-cum-rating sheet was uploaded on an online IT tool for seeking evaluation rating and feedback of the directors in the most confidential manner with regards to the performance of the Board, its committees, the chairperson, and individual directors.

Based on the feedback received from the directors, a report on summary of performance evaluation of the Board, its Committees, the Chairperson and Directors and a consolidated report thereof for FY 2025-26 was prepared. The report of performance evaluation so prepared was then discussed and noted by the Nomination and Remuneration Committee held on May 22, 2026 and at the Board Meeting held on May 27, 2026.

Remuneration of Directors:

The Non-executive Independent Directors are paid sitting fees and annual commission. The annual commission is paid on an equal and on prorated basis as per the tenure served on the Board to all Non-executive Independent Directors at a rate not exceeding 1% of Net Profits computed in accordance with Section 198 of the Companies Act, 2013, and pursuant to ordinary resolution passed by the Members at their 56th Annual General Meeting of the Company.

The Managing Director is paid remuneration within the limits approved by the shareholders of the Company.

Details of remuneration paid or payable to Non-executive Independent Directors during the FY 2025-26 are given below. The same are also provided in the Form MGT-7, i.e. the annual return which can be accessed at https://www.cummins.com/en/in/investors/india-annual-reports.

Details of Sitting Fees and Commission to Non-Executive Independent Directors for the Financial Year April 01, 2025, to March 31, 2026:

Name of the Director	Sitting fees (₹)	Annual Commission (₹)	Total (₹)
Ms. Rama Bijapurkar[1]	2,50,000	3,15,753	5,65,753
Ms. Rekha	9,00,000	15,00,000	24,00,000
Ms. Lira Goswami	14,50,000	15,00,000	29,50,000
Mr. Farokh Nariman Subedar	13,50,000	15,00,000	28,50,000
Mr. Sekhar Natarajan	15,50,000	15,00,000	30,50,000
Ms. Vibha Paul Rishi[2]	8,50,000	9,69,521	18,19,521

1. Ms. Rama Bijapurkar ceased to be a Non-executive Independent Director of the Company upon completion of her first term of five years with effect from June 16, 2025.

2. Ms. Vibha Paul Rishi was appointed by the Board as an Additional Director (Non-executive and Independent) with effect from August 09, 2025.

Details of remuneration paid to Managing Director of the Company during the Financial Year April 01, 2025, to March 31, 2026:

(₹ in Crores)

Name	Salary	Commission	House Rent	Other Benefits	Total
Ms. Shveta Arya	6.07	-	-	1.26^	7.33

^ This value includes stock options of Holding Company and other perquisites. The additional details are given in **Annexure '10'** to this Report.

Notes:

1. The Company does not have a Stock Option Scheme and no severance fees are payable to any Director.

2. There is no notice period for severance of the Directors. For Managing Director, notice period shall be governed by Company's HR policies.

There is no pecuniary relationship or transactions of any of the Non-executive Directors *vis-à-vis* the Company, apart from the remuneration as detailed in this Report or in Note No. 41 to the Standalone Financial Statements.

Criteria for making payment to Non-executive Independent Directors:

- Non-executive Independent Directors may be paid sitting fees (for attending the Meetings of the Board and of Committees of which they are Members) and commission as per limits and provisions prescribed in the Companies Act, 2013, as amended from time to time. Quantum of sitting fees may be subject to review on a periodic basis, as may be required.

- The payment of sitting fees and commission shall be recommended by the Nomination and Remuneration Committee and approved by the Board based on the study of comparable companies and within the limits prescribed under the applicable provisions of the Companies Act 2013, as amended from time to time. Overall remuneration practices shall be consistent with recognized best practices.

- In addition to the sitting fees and commission, the Company may pay/reimburse to any Director such fair and reasonable expenditure, as may have been incurred by the Director while attending the board or committee meetings and performing his/her role as a Director of the Company.

c) STAKEHOLDERS RELATIONSHIP COMMITTEE:

As on March 31, 2026, the Stakeholders Relationship Committee comprised of 4 Directors including 1 (Executive) Director – Ms. Shveta Arya, 1 (Non-executive Non Independent) Director – Mr. Cornelius O'Sullivan and 2 Independent Directors – Ms. Lira Goswami (Chairperson) and Mr. Sekhar Natarajan.

Meetings and Attendance at the Stakeholders Relationship Committee Meetings for F.Y. 2025-26:

Name of Directors	Dates of Stakeholders Relationship Committee Meetings		
	May 27, 2025	Nov 06, 2025	% of attendance of a Director
Ms. Lira Goswami (Chairperson)	✓	✓	100
Mr. Sekhar Natarajan	✓	✓	100
Ms. Shveta Arya	✓	✓	100
Mr. Cornelius O'Sullivan	✓	✓	100
Ms. Rama Bijapurkar[1]	✓	NA	100

1. Ms. Rama Bijapurkar ceased to be a Non-executive Independent Director of the Company upon completion of her first term of five years with effect from June 16, 2025, pursuant to which she also ceased as Member of Stakeholders Relationship Committee effective June 16, 2025.

Minimum number of meetings of the Stakeholders Relationship Committee during the Financial Year under review, were complied with.

The Committee is guided by the Charter, adopted by the Board, accessible on the website of the Company at https://www.cummins.com/en/in/investors/india-corporate-governance. The Charter is reviewed and re-assessed when deemed fit by the Committee. The terms of reference were amended and the Charter including revised terms of reference was adopted on May 26, 2022.

Broad Terms of Reference to the Stakeholders Relationship Committee:

The Committee primarily acts in line with Section 178 of the Companies Act, 2013, and Regulation 20 of the Listing Regulations. The Committee reviews and advises the Company in the following areas:

- To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends/ warrants, issue of new/duplicate certificates or new certificates on split/consolidation/renewal etc., dematerialization and re-materialization requests of equity shares are addressed in timely manner, General Meetings, Investor Education and Protection Fund related queries etc.;
- To oversee compliances in respect to dividend payments and transfer of unclaimed amounts and shares to the Investor Education and Protection Fund, as per the provisions of the Companies Act, 2013 and Rules thereunder;
- To review the measures taken for effective exercise of voting rights by security holders;
- To oversee the performance of the Registrar & Share Transfer Agent ('RTA') including review of their adherence to the service standards adopted by the Company or as may be prescribed by regulatory authorities, from time to time;
- To recommend measures for overall improvement in the quality of investor services including ensuring proper controls;

- To review various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- To obtain, at its sole authority, professional services/advice of internal or outside experts (legal or other professionals), where judged necessary, to discharge its duties and responsibilities;
- To periodically provide updates to the Board, on such matters as it considers relevant and carry out such other function as may be delegated by the Board or as may be prescribed under applicable laws from time to time;
- To note the investor engagement plans/initiatives and movement in shareholdings and ownership structure of the Company.

Compliance Officer: The Board has appointed, Ms. Vinaya Joshi, Company Secretary, as the Compliance Officer, as required under the Listing Regulations and the Nodal Officer to ensure compliance with the Act and rules made thereunder.

The following shareholder complaints were received and resolved during the Financial Year April 01, 2025 to March 31, 2026:

Sr. no.	Nature of Complaint	No. of Complaints
1.	Non-receipt of Annual Reports	0
2.	Non-receipt of Dividend Warrants/Complaints regarding unclaimed dividend	7
3.	Non-receipt of Share Certificates/Letter of Confirmation/Transmission/Name Deletion/Issue of Duplicate Share Certificate/Exchange Certificate	9
4.	Non - receipt of Bonus Certificates	0
5.	Others	2
Total		**18**

*BSE and NSE vide its guidance note dated July 07, 2022, has directed Listed Companies to consider complaints received from all the sources while filing the quarterly report for investor complaints.

Number of complaints pending with the Company as on March 31, 2026: 01**

Number of pending share transfers with the Company as on March 31, 2026: Nil

*** 1 complaint was pending as on March 31, 2026, which was received by the Company closer to the end of the last quarter. The said complaint was resolved, within the statutory timeline.*

d) CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY (CSRS) COMMITTEE:

The name of the Corporate Social Responsibility Committee was changed to Corporate Social Responsibility and Sustainability Committee with effect from February 4, 2026. Further, the terms of the Committee were also amended to include the oversight on Sustainability initiatives of the Company.

As on March 31, 2026, the Corporate Social Responsibility and Sustainability Committee comprised of 6 Directors including 1 (Executive) Director – Ms. Shveta Arya, 1 (Non-Executive Non-Independent) Director – Mr. Thierry Bruno Pimi Nouyeuwe and 4 Independent Directors – Ms. Lira Goswami (Chairperson), Ms. Rekha, Ms. Vibha Paul Rishi and Mr. Farokh N. Subedar.

Meetings and Attendance at the Corporate Social Responsibility and Sustainability Committee Meetings of F.Y. 2025-26:

Name of Directors	Dates of Corporate Social Responsibility and Sustainability Committee Meetings				
	May 27, 2025	Aug 07, 2025	Nov 06, 2025	Feb 04, 2026	% of attendance of a Director
Ms. Rama Bijapurkar[1] (Chairperson)	✓	NA	NA	NA	100
Ms. Lira Goswami[2] (Chairperson)	NA	NA	✓	✓	100
Mr. Farokh Nariman Subedar	✓	✓	✓	✓	100
Ms. Rekha	✓	✓	✓	✓	75
Ms. Shveta Arya	✓	✓	✓	✓	100
Ms. Vibha Paul Rishi[3]	NA	NA	✓	✓	100
Mr. Thierry Bruno Pimi Nouyeuwe[3]	NA	NA	✓	✓	100
Ms. Bonnie Jean Fetch[4]	×	NA	NA	NA	0

1. Ms. Rama Bijapurkar ceased to be a Non-executive Independent Director of the Company upon completion of her first term of five years with effect from June 16, 2025, pursuant to which she also ceased as Chairperson of Corporate Social Responsibility and Sustainability Committee effective June 16, 2025.

2. Ms. Lira Goswami was appointed as the Chairperson of Corporate Social Responsibility and Sustainability Committee effective August 09, 2025.

3. Ms. Vibha Paul Rishi and Mr. Thierry Bruno Pimi Nouyeuwe, were appointed as the Member of the Corporate Social Responsibility and Sustainability Committee effective August 09, 2025.

4. Ms. Bonnie Jean Fetch ceased as Director (Non-executive and Non-independent) with effect from May 29, 2025, consequent to which she also ceased to be a Member of Corporate Social Responsibility and Sustainability Committee effective May 29, 2025.

Minimum number of Meetings of the CSRS Committee during the financial year under review, were complied with.

The Committee is guided by the Charter, adopted by the Board, accessible on the website of the Company at https://www.cummins.com/en/in/investors/india-corporate-governance. The Charter is reviewed and re-assessed when deemed fit by the Committee and was last amended on February 04, 2026.

Broad Terms of Reference of Corporate Social Responsibility and Sustainability Committee:

The Committee oversees, *inter-alia*, corporate social responsibility and other related matters as may be referred by the Board of Directors and discharges the roles as prescribed under Section 135 of the Companies Act, 2013.

The Committee also oversees the Company's sustainability strategy, review policies, initiatives and other related matters in line with the Listing Regulations.

Terms of Reference for review of Corporate Social Responsibility (CSR):

- To identify the areas of CSR activities.
- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013 or any amendment thereto read with Government Directives from time to time.

- To formulate and recommend to the Board, an Annual Action Plan, in pursuance to its CSR Policy.
- To recommend the amount of expenditure be incurred on such other activities as decided and permitted under the applicable laws from time to time.
- To implement and monitor the Corporate Social Responsibility Policy of the Company from time to time.
- To coordinate with Cummins India Foundation or any other agencies as may be decided, for implementing programs and executing initiatives as per CSR Policy of the Company.
- To take such necessary steps as may be required to carry out impact assessment of CSR projects, as per applicable laws through an independent agency.
- To carry out any other function may be delegated by the Board or as may be prescribed under applicable laws from time to time.
- The Committee may periodically provide necessary updates to the Board.

Terms of Reference for review of Sustainability:

- To guide the Company on its strategy, vision, policies and initiatives on sustainability including goals and setting of Key Performance Indicators (KPIs) for each such goal.
- To provide guidance on the development of a sustainability roadmap for the Company in alignment with global sustainability policies and Indian law requirements and to review the progress toward achieving the Company's sustainability goals.
- To monitor and review the Business Responsibility and Sustainability Report (BRSR) pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provide guidance for improvement.
- To review the environment, social and governance reporting aspects relating to sustainability including stakeholders input on Environmental, Social and Governance aspects and note adopted policies referred in BRSR and sustainability compliances, disclosures as and when required.
- Provide guidance on enhancing collaboration with value chain partners, improving ESG ratings for the Company and any other item as may be assigned by the Board of Directors or deemed fit from time to time.
- Any other item as may be assigned by the Board of Directors from time to time.

The Committee has also formulated a Policy indicating the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013, or any amendment thereto, adopted by the Board, accessible on the website of the Company at https://www.cummins.com/en/in/investors/india-corporate-governance. The Policy is reviewed and re-assessed as and when deem fit by the Committee and was last amended on February 04, 2026.

e) RISK MANAGEMENT COMMITTEE:

As on March 31, 2026, the Risk Management Committee comprised of 4 Directors including 1 (Executive) Director – Ms. Shveta Arya, 3 Independent Directors (Non-executive) – Mr. Sekhar Natarajan (Chairperson), Ms. Lira Goswami and Ms. Rekha.

Meetings and Attendance at the Risk Management Committee Meetings for F.Y. 2025-26:

Name of Directors	Dates of Corporate Social Responsibility and Sustainability Committee Meetings				
	May 27, 2025	Aug 07, 2025	Nov 06, 2025	Feb 04, 2026	% of attendance of a Director
Mr. Sekhar Natarajan (Chairperson)	✓	✓	✓	✓	100
Ms. Rekha	✓	✓	×	✓	75
Ms. Shveta Arya	✓	✓	✓	✓	100
Ms. Lira Goswami	✓	✓	✓	✓	100
Mr. Farokh Nariman Subedar[1]	✓	✓	NA	NA	100
Ms. Jennifer Mary Bush[1]	✓	✓	NA	NA	100

1. Mr. Farokh Nariman Subedar and Ms. Jennifer Mary Bush, ceased to be a Member of the Risk Management Committee effective August 09, 2025, due to reconstitution of the Committee as approved by the Board at its Meeting held on August 07, 2025.

Minimum number of Meetings of the Risk Management Committee during the financial year under review, were complied with.

The Committee is guided by the Charter adopted by the Board, accessible on the website of the Company at https://www.cummins.com/en/in/investors/india-corporate-governance. The Charter is reviewed and re-assessed when deemed fit by the Committee and was last amended on August 11, 2021.

Broad Terms of Reference of the Risk Management Committee:

The roles and responsibilities of the Committee are as prescribed under Regulation 21 of the SEBI Listing Regulations, which *inter-alia* included:

- To identify, assess, mitigate and monitor the existing as well as potential risks (internal and external) to the Company, to recommend the strategies to overcome them and review key leading indicators in this regard;
- To formulate and recommend to the Board, a Risk Management Policy, which shall include framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Committee; measures for risk mitigation and business continuity plan;
- To periodically review and approve the Risk Management framework including the Risk Management processes, systems and practices of the Company;
- To evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner;
- To advise on developing and implementing action plans to mitigate the risks;
- To co-ordinate its activities with the Audit and Compliance Committee and other committees in instances where there is any overlap with risk areas or audit (e.g., internal, or external risk issues/audit issues relating to Risk Management Policy or practice);
- To oversee at such intervals as may be necessary, the adequacy of Company's resources to perform its Risk Management responsibilities and achieve its objectives;
- To review and periodically assess the Company's performance against the identified risks of the Company; and

- To review and periodically re-assess the adequacy of its Charter and recommend any proposed changes to the Board for approval.

f) PARTICULARS OF SENIOR MANAGEMENT OF CUMMINS INDIA LIMITED:

Name of Senior Management Personnel	Category
Ms. Shveta Arya	Managing Director and Executive Director
Ms. Soma D Ghosh[1]	Chief Financial Officer
Mr. Prasad S Kulkarni[1]	Interim Chief Financial Officer
Ms. Anupama Kaul	Executive Director – HR Head
Ms. Sanjit Kaur Batra	Group Vice President – Legal
Mr. Pankaj Kapoor	Vice President – Distribution Business
Ms. Vinaya Joshi	Company Secretary and Compliance Officer

1. Ms. Soma Dilip Ghosh was appointed as the Chief Financial Officer and Key Managerial Personnel (KMP) of the Company effective July 21, 2025. Accordingly, Mr. Prasad S Kulkarni ceased to be the Interim Chief Financial Officer and KMP of the Company effective July 21, 2025.

The Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

Succession planning at Senior Management levels is reviewed by the Board. Business, function or unit heads are invited to present on specific topics at Board Meetings from time to time, offering an opportunity to the directors to assess their values, competencies, and capabilities.

4. GENERAL MEETINGS:

a) ANNUAL GENERAL MEETING ('AGM'):

Location, Date and Time, where previous three (3) AGM were held:

	FY 2022-23	FY 2023-24	FY 2024-25
Date and Time	August 03, 2023, at 4:00 P.M.	August 07, 2024, at 10:00 A.M.	August 08, 2025, at 09:30 A.M.
Venue	Conducted through Video conference. The deemed venue of the meeting was Cummins India Office Campus, Tower A, 5th Floor, Survey No. 21, Balewadi, Pune 411 045.	Conducted through Video conference. The deemed venue of the meeting was Cummins India Office Campus, Tower A, 5th Floor, Survey No. 21, Balewadi, Pune 411 045.	Conducted through Video conference. The deemed venue of the meeting was Cummins India Office Campus, Tower A, 5th Floor, Survey No. 21, Balewadi, Pune 411 045.
Special resolutions passed	Special Resolution was passed for the Appointment of Ms. Lira Goswami as a Non-Executive Independent Director.	Special Resolution was passed for the Appointment of Mr. Sekhar Natarajan and Mr. Farokh Nariman Subedar as a Non-Executive Independent Director.	No Special Resolution was passed.

b) EXTRA-ORDINARY GENERAL MEETING ('EGM'):

No Extra-ordinary General Meeting of the shareholders of the Company was convened during FY 2025-26.

c) POSTAL BALLOT:

During financial year 2025-26, the Company sought approval of members through Postal Ballot and details of the same are given below:

Particulars of Resolution(s) Passed	Type of Resolution	Votes (No. of shares and %)		Date of passing the resolution
		In favour	Against	
Postal Ballot 1 – From Monday, September 08, 2025, to Tuesday, October 07, 2025:				
Appointment of Mr. Thierry Bruno Pimi Nouyeuwe (DIN: 11225590) as a Director (Non-Executive and Non-Independent) of the Company	Ordinary Resolution	23,94,83,673 (99.6663%)	8,01,820 (0.3377%)	October 07, 2025
Appointment of Ms. Vibha Paul Rishi (DIN: 05180796) as a Non-Executive Independent Director of the Company	Special Resolution	23,99,24,041 (99.8496%)	3,61,452 (0.1504%)	October 07, 2025
The Company had appointed Mr. Pramodkumar Ladda, Partner, M/s Ladda Bhutada & Associates, Company Secretaries, Pune, as the Scrutinizer for conducting the postal ballot process through remote e-voting in a fair and transparent manner.				
Postal Ballot 2 – From Sunday, December 07, 2025, to Monday, January 05, 2026:				
To approve additional material related party transaction(s) with Cummins Inc., USA	Ordinary Resolution	9,83,11,330 (99.9994%)	557 (0.0006%)	January 05, 2026
To approve additional material related party transaction(s) with Cummins Limited, UK	Ordinary Resolution	9,83,11,330 (99.9994%)	557 (0.0006%)	January 05, 2026
The Company had appointed M/s. Mehta & Mehta, Company Secretaries, Pune, as the Scrutinizer for conducting the postal ballot process through remote e-voting in a fair and transparent manner.				
Postal Ballot 3 – From Sunday, March 22, 2026, to Monday, April 20, 2026:				
Approval for revision in remuneration of Ms. Shveta Arya (DIN: 08540723), Managing Director of the Company	Ordinary Resolution	23,84,71,899 (99.2093%)	19,00,672 (0.7907%)	April 20, 2026
The Company had appointed M/s. Mehta & Mehta, Company Secretaries, Pune, as the Scrutinizer for conducting the postal ballot process through remote e-voting in a fair and transparent manner.				

Procedure:

In compliance with Regulation 44 of the Listing Regulations, Sections 108, 110 of the Act, Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, and other applicable provisions of the Act read with the Rules issued thereunder and General Circulars issued by Ministry of Corporate Affairs (MCA Circulars), the Company provided remote e-voting facility to all its Members. The Company engaged the services of MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) the Registrar and Share Transfer Agent (RTA) of the Company for the purpose of providing e-voting facility to all its Members for above postal ballot activities.

The postal ballot notice was sent to the members in electronic form at their email addresses registered with the depositories/RTA.

The Company also published notice in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act, read with the Rules issued thereunder, MCA Circulars and the Secretarial Standards issued by the Institute of Company Secretaries of India.

The results were displayed on the website of the Company www.cumminsindia.com and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agent of the Company. The resolutions passed by the postal ballot were deemed to have been passed on the last date of e-voting period.

5. STATUTORY AUDITORS

M/s. Price Waterhouse & Co. Chartered Accountants LLP, Chartered Accountants were the Statutory Auditors of the Company during financial year 2025-26. The payment of Statutory Auditors' fees, on consolidated basis for financial year 2025-26 is ₹ 2.15 Crores.

Based on the recommendation of Audit and Compliance Committee, the Board at its meeting held on May 27, 2026 approved re-appointment of M/s. Price Waterhouse & Co. Chartered Accountants LLP (Firm Registration No. 304026E/E-300009) as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years from the conclusion of the ensuing Sixty-Fifth (65th) Annual General Meeting (AGM), till the conclusion of Seventieth (70th) Annual General Meeting subject to the approval of Members at the ensuing AGM of the Company.

6. DISCLOSURES

a. The Company does not have materially significant Related Party Transactions (i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, or their subsidiaries or relatives etc.) which may have potential conflict with the interest of the Company at large. The Company has disclosed the policy on dealing with Related Party Transactions on its website and is accessible at https://www.cummins.com/en/in/investors/india-corporate-governance.

b. The Company does not have any material subsidiary.

c. The Company has disclosed the Material Subsidiary Policy on its website and is accessible at https://www.cummins.com/en/in/investors/india-corporate-governance.

d. The Company has disclosed all policies, codes and charters, as required to be disclosed and are accessible on the website of the Company at https://www.cummins.com/en/in/investors/india-corporate-governance.

e. The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/strictures have been imposed against it in the last 3 years except during financial year 2025-26 for non-compliance with the requirements of the Regulation 18(1)(b) of the Listing Regulation read with Corporate Governance FAQ with respective to rounding off. However, the Company reconstituted the composition of Audit and Compliance committee. The Company has received communications from both the Stock Exchanges imposing penalty of ₹ 2,360/- each w.r.t. one day non-compliance with Regulation 18(1) of Listing Regulations, Company has paid the same.

f. The Company has complied with the mandatory Corporate Governance requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations except as mentioned in point no. (e) above.

g. The Company has not adopted any discretionary requirements mentioned in Regulation 27(1) of the Listing Regulations.

h. The Company follows a Vigil Mechanism Policy (earlier known as Whistle Blower Policy) since Financial Year 2003-04 in line with the Listing Regulations. The Policy is reviewed and re-assessed when deemed fit and was last amended on August 06, 2024. No person has been denied access to the Audit and Compliance Committee under the Vigil Mechanism Policy.

i. The Managing Director and Chief Financial Officer of the Company have certified to the Board of Directors, *inter alia*, on the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) read with Part B of Schedule II of the Listing Regulations.

j. Foreign exchange risk and hedging activities:

During the Financial Year 2025-26, the Company has managed foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of the sensitivity analysis on the foreign currency exposure are disclosed in note no. 43 (a)(i) to the Annual Accounts (Standalone Financial Statements).

k. The Company follows the mandatory Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI) and to the best of its knowledge, there are no deviations in the accounting treatments that require specific disclosure.

l. There were no recommendations of Committees of the Board, mandatorily required, in the Financial Year 2025-26 which were not accepted by the Board.

m. Details relating to fees paid to the Statutory Auditors are given in Note no. 31 to the Standalone Financial Statements and Note no. 31 to the Consolidated Financial Statements.

n. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Act and the Listing Regulations and are independent of the Management.

o. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: The details of number of complaints filed and disposed of during the year and pending as on March 31, 2026, is given in the Directors' Report.

p During the Financial Year 2025-26, the Company has not granted any Loans and Advances in the nature of loans to firms/companies in which Directors are interested.

q. Pursuant to Regulation 26(5) of the Listing Regulations, Senior Management has made periodical disclosures to the Board confirming that there are no material financial and commercial transactions, where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company.

r. Disclosure of certain types of agreements binding the Company: During the year, no information was required to be disclosed by the Company under clause 5A of Para A of Part A of Schedule III of the Listing Regulations. Further, none of the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company or of its holding, subsidiary and associate company have submitted any information as specified under Regulation 30A of the Listing Regulations.

7. MEANS OF COMMUNICATION:

a. The quarterly shareholding pattern and quarterly/half-yearly/yearly unaudited/audited financial results were posted on the Company's website https://www.cummins.com/en/in/investors/india-shareholding and also on the website of Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com.

b. The official news releases of the Company were displayed on the Company's website https://www.cummins.com/en/in/investors/india-investors-notices and also on the website of Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com.

c. The quarterly unaudited/yearly audited financial results for the financial year ended March 31, 2026, were duly published in Business Standard (All editions) and Loksatta (Pune Edition). The copies of the same were also uploaded on the website of the Stock Exchanges.

d. Transcript of quarterly conference calls with the Analysts held on May 29, 2025, August 8, 2025, November 7, 2025 and February 5, 2026, and the Managing Director's Presentation to the Shareholders made at the Annual General Meeting held on August 08, 2025, were displayed on the Company's website www.cumminsindia.com and also on the website of Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com. Additionally, transcript of 64th Annual General Meeting held on August 08, 2025, was displayed on the Company's website at https://www.cummins.com/en/in/investors/india-investor-analyst.

e. The Company also issues press releases on important matters as may be required from time to time.

f. In compliance with the provisions of Section 20 of the Companies Act, 2013, and as a continuing endeavor towards the 'Go Green' initiative by Ministry of Corporate Affairs, the Company proposes to send all correspondence/communications through electronic means to those shareholders who have registered their email addresses with their respective depository participants/Registrar and Share Transfer Agent.

8. GENERAL SHAREHOLDER INFORMATION:

Registered Office	Cummins India Office Campus, Tower A, 5th Floor, Survey No. 21, Balewadi, Pune 411 045	
	Phone No.	: (020) 67067000
	Fax No.	: (020) 67067015
	Website	: www.cumminsindia.com
Annual General Meeting	Date and Time	: Thursday, August 06, 2026, at 11:30 A.M. (IST)
	Mode	: Video conferencing ("VC") and other audio-visual means ("OAVM")
	Venue	: Deemed venue shall be Cummins India Office Campus, Tower A, 5th Floor, Survey No. 21, Balewadi, Pune 411 045.
	Remote e-voting	: Starting on Sunday, August 02, 2026, from 09:00 A.M. (IST)
	Remote e-voting	: Ending on Wednesday, August 05, 2026 till 05:00 P.M. (IST)
	E-voting at AGM	: Thursday, August 06, 2026
	Live Webcast of AGM	: Pursuant to Regulation 44(6) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 100 listed entities shall, with effect from 1 April 2019, provide one-way live webcast of the proceedings of their AGM. Accordingly, the Company has entered into an arrangement with National Securities Depository Limited (NSDL) to facilitate live webcast of the proceedings of ensuing 65th Annual General Meeting of the Company.
Financial Year	The Financial Year of the Company is from 1st April to 31st March.	
Financial Calendar (Tentative)	• Results for quarter ending June 30, 2026 – By second week of August, 2026 • Results for quarter and half-year ending September 30, 2026 – By second week of November 2026 • Results for quarter and nine months ending December 31, 2026 – By second week of February 2027 • Results for the quarter and financial year ending March 31, 2027 – By Fourth week of May 2027	
Interim dividend payment date	Monday, March 02, 2026	
Rate of Final Dividend	The Board of directors has proposed a dividend of ₹ 46/- per equity share (2,300%) of the face value of ₹ 2/- for the Financial Year 2025-26, subject to approval of members at the ensuing AGM.	
Record Date for Final Dividend	Friday, July 17, 2026	

<table>
<tr><td>Final Dividend payment date</td><td>On or before September 04, 2026 (subject to approval of shareholders in the ensuing Annual General Meeting)</td></tr>
<tr><td>Tax Deducted at Source (TDS) on Dividend</td><td>Members may note that pursuant to Finance Act, 2026, as amended, dividend income will be taxable in the hands of Members, and the Company is required to deduct tax at source from the dividend paid to Members at the prescribed rates. For Resident Members, taxes shall be deducted at source under Section 393 (1) read with sub section 4 of the Income Tax Act, 2025, as follows:
<table>
<tr><td>Shareholders having valid PAN</td><td>10% or as notified by the Government of India</td></tr>
<tr><td>Shareholders not having PAN/valid PAN/PAN not linked with Aadhaar</td><td>20% or as notified by the Government of India</td></tr>
</table>
Further, the Company follows a practice of sending a detailed communication to the members outlining the tax implications on dividend income as per the Income Tax Act, 2025 for resident as well as non-resident shareholders, Insurance companies, Mutual Funds, Alternative Investment Fund (AIF), etc. and provides facility to submit the tax exemption documents such as Form No. 121 (erstwhile Form No. 15G or Form No. 15H), Form 41, Tax Residency Certificate, Declaration of Category of shareholder, etc. to the RTA to determine the appropriate tax liability.</td></tr>
<tr><td>Withholding of dividend in respect of folios whose KYC details are not updated</td><td>As per SEBI Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, kindly note that w.e.f. April 1, 2024, the Dividend will be paid only through electronic mode to the Members who have updated their KYC details (including bank account details) against their respective physical folios and in the absence of KYC details, the Company shall withhold the dividend, as may be declared. The dividend shall be released through electronic credit to the concerned shareholders upon successful updation of KYC as per the aforesaid SEBI Circular.

Pursuant to Regulation 12 read with Schedule I of Listing Regulations, payment of dividend through any mode other than electronic mode is discontinued and hence the payment shall be made only through electronic mode to all the eligible Members.

For the purpose of updation of KYC details against folio, members are requested to send requisite KYC forms to the Registrar and Transfer Agent (RTA) of the Company i.e., MUFG Intime India Private Limited and those holding shares in Demat mode shall update with their concerned Depository participants (DPs). The formats for Nomination and Updating of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and SEBI circulars are available on website of the RTA at https://web.in.mpms.mufg.com/KYC-downloads.html.

Also, pursuant to the above-mentioned SEBI circular, the listed companies shall intimate its physical security holders about folios which are incomplete with regards to KYC on an annual basis within six months from the end of the financial year. In view of the same, the Company has sent communication to shareholders (holding securities in physical form), whose folio(s) are not updated with the KYC details in the month of July 2026.</td></tr>
</table>

Transfer of unclaimed/unpaid dividend and the underlying shares to Investor Education and Protection Fund (IEPF)

Pursuant to section 124 and 125 of Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (the 'IEPF Rules'), the dividend amount remaining unpaid/unclaimed for period of seven consecutive years and the underlying shares shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF"), within 30 days of such shares becoming due for transfer. Thus, in compliance with the same, the Company has transferred the unclaimed/unpaid dividend and the underlying shares to Investor Education and Protection Fund (IEPF), the details of the same are as below:

Type of Dividend	Financial Year	Amount Transferred (₹)	Shares Transferred
Final	2017-2018	1,31,16,940	69,002
Interim	2018-2019	90,09,406	12,244

Further, as mandated under IEPF Rules, the Company shall dispatch individual physical letters to the shareholders whose final dividend for Financial Year 2018-19 has remained unclaimed/unpaid, requesting them to claim the amount of unpaid dividend on or before the date on which Company is legally bound to transfer the shares to the demat account of IEPF authority. The Company has published an advertisement in one English and one vernacular newspaper in this behalf. Further, the Company has also placed a statement of unpaid/ unpaid dividend FY 2018-19 (Final) on its website.

Listing on Stock Exchanges

Name of Exchange	Stock Code
BSE Limited (BSE) P. J. Towers, Dalal Street, Mumbai – 400001.	500480
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051.	CUMMINSIND

International Securities Identification Number (ISIN)

INE298A01020

Payment of Listing Fees

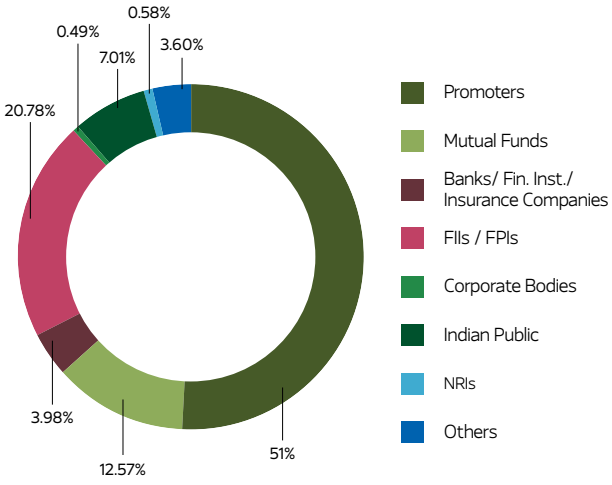
The Company has paid the Listing Fees to both the Stock Exchanges for the Financial Year 2026-27.

Registrar and Share Transfer Agent ("RTA")

The Company has appointed MUFG Intime India Private Limited ("MUFG Intime"), as its Registrar and Share Transfer Agent ("RTA"). Share transfers, dematerialization of shares, dividend payment and all other investor related activities are attended to and processed at the office of the Registrar and Transfer Agent:

MUFG Intime India Private Limited
Unit: **Cummins India Limited**
C-101, Embassy 247,
L.B.S. Marg, Vikhroli (West), Mumbai 400083
Phone No. (+91) 810 811 6767
Contact Person: Ms. Sujata Poojary
E-mail: sujata.poojary@in.mpms.mufg.com / investor.helpdesk@in.mpms.mufg.com
Website: https://in.mpms.mufg.com
Link to raise queries/service requests:
https://web.in.mpms.mufg.com/helpdesk/Service_Request.html

Share Transfer System	Trading in Equity Shares of the Company through recognized Stock Exchanges is permitted only in dematerialized form. In terms of Regulation 40(1) of SEBI Listing Regulations, transfer of securities held in physical mode has been discontinued and the transfer of securities is allowed only in dematerialized form. Further, SEBI vide its Circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/8 dated January 24, 2022, mandated all the listed companies to issue securities in dematerialized form only, while processing the service request for issue of duplicate securities certificates, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Further, SEBI vide Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, (SEBI) (including earlier circulars issued in this regard), *inter alia*, mandated that any service request shall be entertained only upon registration of PAN, KYC details and nomination. Hence, all holders of physical securities of the Company are requested to update their KYCs in their respective folios.
Special Window for transfer of securities	Pursuant to SEBI Circular no. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, to facilitate ease of investing for investors and to secure the rights of investors in the securities which were purchased by them, a special window for transfer and dematerialization ("demat") of physical securities which were sold/ purchased prior to April 01, 2019, has been opened for a period of one year from February 05, 2026, till February 04, 2027. The special window shall be available for transfer requests which were submitted earlier and were rejected/returned/not attended due to deficiency in the documents/process/or otherwise. Eligible shareholders are hereby requested to contact our Registrar and Transfer Agent (RTA) at the contact details provided above.
Saksham Niveshak	Second 100 Days Campaign – "Saksham Niveshak" to facilitate the updation of KYC details The Shareholders of the Company are hereby informed that, Investor Education and Protection Fund Authority, Ministry of Corporate Affairs has launched Second 100 Days campaign - "Saksham Niveshak" from April 1, 2026 to July 9, 2026, with an objective to facilitate the updation of KYC details of the shareholders of the Company and further facilitate direct payment of unclaimed/unpaid dividends. Hence, in order to claim unpaid dividend(s) the shareholders are requested to update their KYC's including the bank account details with their respective Depository Participant's, in respect of electronic holding and with the Company/Registrar and Share Transfer Agent (RTA) in respect of physical holding, by submitting Form ISR-1 duly filled. The KYC updation forms can be downloaded from the website of RTA i.e., MUFG Intime India Private Limited, at https://web.in.mpms.mufg.com/KYC-downloads.html.
Review of service standards adhered by MUFG Intime India Private Limited (RTA) with respect to share related activities	The RTA of the Company has set up the standards for adhering to the statutory timelines for processing the various service request of the shareholders. On an on-going basis, the Company engages with officials of RTA at various levels for review of these standards. Periodic meetings and discussions are held to understand the concerns of shareholders, deviations, if any, in the timelines for processing service requests, best practices and other measures to strengthen shareholder-related services.

Distribution of shareholding as on March 31, 2026	Category	No. of shares of ₹ 2/- each	% of shareholding
	Promoters	141,372,000	51.00
	Mutual Funds	34,837,788	12.57
	Banks/Financial Institutions/Insurance Companies	11,026,564	3.98
	Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors	57,593,901	20.78
	Corporate Bodies	1,351,301	0.49
	Indian Public	19,438,243	7.01
	NRIs	1,609,891	0.58
	Others	9,970,312	3.60
	Total	**277,200,000**	**100.00**

Distribution of shareholding (on Non-PAN basis) within various categories as on March 31, 2026:

Sr. No.	Category (shares)	No. of shareholders	Percentage of shareholders to Total Shareholders %	Total No. of Shares	Percentage of shares to total shares %
1.	1 to 500	160,002	95.71	556,8197	2.01
2.	501 to 1000	2369	1.41	1,712,402	0.62
3.	1001 to 2000	1578	0.94	2,200,323	0.79
4.	2001 to 3000	755	0.45	1,863,228	0.67
5.	3001 to 4000	382	0.23	1,327,668	0.48
6.	4001 to 5000	321	0.19	1,444,192	0.52
7.	5001 to 10000	747	0.45	5,524,456	1.99
8.	10001 and above	1024	0.62	257,559,534	92.92
	Total	**167,178**	**100.00**	**277,200,000**	**100.00**

Dematerialization of shares and liquidity (as on March 31, 2026)	99.70% of the paid-up Equity Capital was held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Trading in the equity shares of the Company is permitted only in dematerialised form.
Sub-divided share certificate in lieu of old certificates	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 04, 2000, the Company further 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.
Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company has not issued GDRs/ADRs/Warrants or any Convertible instruments.

Plant locations	1. Sr. No 31 Pt, 32 Pt, 33 Pt Dahanukar Colony, Gandhi Bhavan Road, Kothrud, Pune – 411 038, Maharashtra. 2. Gat No. 311, Hissa No. 1-B, Kasar Amboli, Mulshi Road, Mulshi, District Pune – 412 108, Maharashtra. 3. MIDC Industrial Area, Village Nandal Survadi Road, Taluka Phaltan, Satara – 415 523, Maharashtra.
Address for correspondence and information for grievance redressal	1. Ms. Vinaya Joshi Company Secretary & Compliance Officer Cummins India Office Campus, Tower A, 5th Floor, Survey No. 21, Balewadi, Pune – 411 045 Tel: +91 20 6706 7000, 3019 7000 Fax: +91 20 6706 7011 E-mail: Cil.Investors@cummins.com 2. Ms. Sujata Poojary MUFG Intime India Private Limited, C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai 400083. Phone No. +91 810 811 6767 Fax No. 022 - 4918 6000 E-mail: sujata.poojary@in.mpms.mufg.com 3. The Company has also dedicated E-mail ID for Shareholders, which is Cil.Investors@cummins.com for the purpose of registering complaints and the same has been hosted on the Company's website. 4. The shareholders can raise the service requests in electronic mode on the website of Registrar and Transfer Agent of the Company namely MUFG Intime India Private Limited. The link for the same is as below: https://web.in.mpms.mufg.com/helpdesk/Service_Request.html 5. The Company is registered with SEBI Complaints Redressal System (SCORES), which can be accessed by the shareholders at https://www.scores.gov.in. 6. The Company is also registered on Smart ODR portal for addressing the grievances of the shareholders, which can be accessed at https://smartodr.in/login.
Demat Suspense Escrow Account	As per SEBI Circular SEBI/HO/MIRSD/MIRSD_RT AMB/P/CIR/2022/8 dated January 25, 2022, the Company shall transfer the shares to Suspense Escrow Demat Account (SEDA) if the shareholder does not make a request to the Depository Participant within a period of 120 days from the date of issuance of 'Letter of Confirmation' (LOC) after processing of the service requests. As on March 31, 2026, the details of SEDA are as follows:

Particulars	No. of shareholders	No. of shares
Outstanding shares in SEDA as on April 01, 2025	2	1,070
Shares transferred in SEDA during the year	2	13,160
Claims received from shareholders for transfer of shares from SEDA during the year	3	13,180
Shares transferred from SEDA to shareholders during the year	3	13,180
Outstanding shares in SEDA as on March 31, 2026	1	1,050

The Voting rights on these shares had remained frozen till the rightful owner of such shares claims the shares.

Unclaimed Demat Suspense Account	No equity shares were lying under unclaimed suspense account during the Financial Year 2025-26.

9. COMPLIANCE CERTIFICATE OF THE AUDITORS:

The Company has obtained a Certificate from M/s Makarand M. Joshi & Co., Practicing Company Secretaries, confirming compliance with conditions of the Code of Corporate Governance as stipulated in Regulation 34 read with Schedule V of the Listing Regulations and the same is appended as **Annexure '6'** to the Directors' Report.

10. CERTIFICATE FROM PRACTICING COMPANY SECRETARY:

The Company has received a certificate from M/s. Makarand M. Joshi & Co., Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified by MCA or SEBI or any such Statutory authority from being appointed/continuing as Director and the same is appended as **Annexure '7'** to the Directors' Report.

DECLARATION – CODE OF CONDUCT

Pursuant to Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I confirm that all the Members of the Board and Senior Management Personnel(s) of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended on March 31, 2026.

For Cummins India Limited,

Shveta Arya
Managing Director
DIN: 08540723

Date: May 27, 2026
Place: Mumbai

CERTIFICATION BY MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO)

In compliance with Regulations 33(2)(a) and 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is certified that:

A. We have reviewed financial statements (including cash flow statement) and the financial results of the Company for the year ended March 31, 2026 (herein after referred as the 'Statements'), and that to the best of our knowledge and belief:
   1. these Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   2. these Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit and Compliance Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit and Compliance committee:
   1. Significant changes in internal control over financial reporting during the period; if any,
   2. Significant change in accounting policies during the period, if any, and
   3. Instances of significant fraud of which we have become aware and having involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Cummins India Limited,

Shveta Arya
Managing Director
DIN: 08540723

Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Date: May 27, 2026
Place: Mumbai

Annexures to the Directors' Report

Annexure 5 – FORM NO. MR-3

SECRETARIAL AUDIT REPORT
for the Financial Year ended March 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Cummins India Limited
Cummins India Office Campus,
Balewadi, Pune - 411045,
Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Cummins India Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by the Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment **(Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the audit period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the audit period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and **(Not applicable to the Company during the audit period)**

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. **(Not applicable to the Company during the audit period)**

(vi) As Identified, no laws specifically applicable to the Company during the Audit Period

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations')

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc., as mentioned above *except pursuant to cessation of Ms. Rekha, Independent Director as a member of Audit and Compliance Committee with effect from August 09, 2025, the composition of Audit and Compliance Committee comprised of 5 members, out of which only 3 members were Independent Directors resulting in non-compliance with the requirements of the Regulation 18(1)(b) of the SEBI Listing Regulation read with Corporate Governance FAQ with respective to rounding off. However, the Company has reconstituted the composition of Audit and Compliance Committee by appointing Ms. Vibha Paul Rishi, Independent Director with effect from November 11, 2025. Also, Company has received communications from both the Stock Exchanges imposing penalty of ₹ 2,360/- each w.r.t. one day non-compliance with Regulation 18(1) of Listing Regulations, Company has paid the same.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines. The adequacy and efficacy of the same shall be read in the context of remarks made in this report.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Omkar Dindorkar
Partner
ACS: 43029
CP No.: 24580
UDIN: A043029H000499309

Date: May 27, 2026
Place: Mumbai

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure 'A'

To,
The Members,
Cummins India Limited
Cummins India Office Campus,
Balewadi, Pune - 411045,
Maharashtra, India.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Omkar Dindorkar
Partner
ACS: 43029
CP No.: 24580
UDIN: A043029H000499309

Date: May 27, 2026
Place: Mumbai

Annexures to the Directors' Report

Annexure 6 - CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
Cummins India Limited
Cummins India Office Campus,
Balewadi, Pune - 411045,
Maharashtra, India.

We have examined the compliance of conditions of Corporate Governance by **Cummins India Limited** ("the Company") for the year ended on March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"].

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations *except pursuant to cessation of Ms. Rekha, Independent Director as a member of Audit and Compliance Committee with effect from August 09, 2025, the composition of Audit and Compliance Committee comprised of 5 members, out of which only 3 members were Independent Directors resulting in non-compliance with the requirements of the Regulation 18(1)(b) of the SEBI Listing Regulation read with Corporate Governance FAQ with respective to rounding off. However, the Company has reconstituted the composition of Audit and Compliance Committee by appointing Ms. Vibha Paul Rishi, Independent Director with effect from November 11, 2025. Also, Company has received communications from both the Stock Exchanges imposing penalty of ₹ 2,360/- each w.r.t. one day non-compliance with Regulation 18(1) of Listing Regulations, Company has paid the same.*

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Omkar Dindorkar
Partner
ACS: 43029
CP No.: 24580
UDIN: A043029H000499309

Date: May 27, 2026
Place: Mumbai

Annexures to the Directors' Report

Annexure 7 – CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Cummins India Limited
Cummins India Office Campus,
Balewadi, Pune - 411045,
Maharashtra, India.

We have examined the relevant disclosures provided by the Directors of **Cummins India Limited** having **CIN- L29112PN1962PLC012276** and having registered office at Cummins India Office Campus Balewadi, Pune - 411045, Maharashtra, India (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information based on (i) documents available on the website of Ministry of Corporate Affairs and BSE Limited and National Stock Exchange of India Limited as on April 16, 2026 (ii) Verification of Directors Identification Number (DIN) status at the website of Ministry of Corporate Affairs on April 16, 2026, and (iii) disclosures provided by the Directors to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority as on March 31, 2026.

Table A

Sr. No	Name of the Directors	Director Identification Number	Date of appointment in Company	Date of Reappointment
1.	Ms. Jennifer Mary Bush	09777114	05/11/2022	-
2.	Ms. Shveta Arya	08540723	08/08/2024	-
3.	Ms. Rekha	08501990	11/08/2022	-
4.	Ms. Lira Goswami	00114636	24/05/2023	-
5.	Mr. Farokh Nariman Subedar	00028428	29/05/2024	-
6.	Mr. Sekhar Natarajan	01031445	29/05/2024	-
7.	Mr. Donald Jackson Gray	08261104	30/10/2018	-
8.	Mr. Thierry Bruno Pimi Nouyeuwe	11225590	09/08/2025	-
9.	Mr. Cornelius O'Sullivan	10829830	08/11/2024	-
10.	Ms. Vibha Paul Rishi	05180796	09/08/2025	-

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Omkar Dindorkar
Partner
ACS: 43029
CP No.: 24580
UDIN: A043029H000499309

Date: May 27, 2026
Place: Mumbai

Annexures to the Directors' Report

Annexure 8 – NOMINATION AND REMUNERATION POLICY

[Pursuant to Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Nomination and Remuneration Policy ("Policy") of Cummins India Limited ("Cummins" or "Company") is formulated under the requirements of applicable laws, including the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policy is intended to set out the criteria to pay equitable remuneration to Directors, Key Managerial Personnel (KMP), Senior Management (as defined below) and other employees of the Company and to harmonise the aspirations of human resources with the goals of the Company.

1. OBJECTIVES OF POLICY

The key objectives of the Policy are :

1.1. To guide the Board in relation to appointment and removal of Directors (Non -Executive, Executive, Independent), Key Managerial Personnel and Senior Management.

1.2. To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

1.3. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

1.4. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

1.5. To facilitate diversity of Board of Directors.

1.6. To formulate criteria for evaluation of the members of the Board including Independent Directors.

2. DEFINITIONS

2.1. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

2.2. **Board** means Board of Directors of the Company.

2.3. **Directors** mean Directors of the Company.

2.4. **Key Managerial Personnel/KMP** means,

2.4.1. Chief Executive Officer or the Managing Director or the Manager;

2.4.2. Whole-time director;

2.4.3. Chief Financial Officer;

2.4.4. Company Secretary;

2.4.5. such other officer, not more than one level below the Directors who is in wholetime employment, designated as Key Managerial Personnel by the Board; and

2.4.6. such other officer as may be prescribed.

2.5. **Senior Management** means Officers and personnel of the listed entity who are Members of its core management team, excluding Board of Directors and shall also comprise all members of management one level below the Chief Executive Officer or Managing Director or Whole-time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity.

3. ROLE OF COMMITTEE

3.1 Policy for appointment/re-appointment and removal of Director, KMP and Senior Management

3.1.1 Appointment criteria and qualifications

a. The Committee shall ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.

b. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is satisfactory for the concerned position.

c. The Committee shall ensure all Board appointments/re-appointments are based on merit, in the context of appropriate skills, experience, independence and knowledge, for the Board as a whole to be effective.

d. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years or such other age for the purpose of superannuation as per the internal policy of the Company. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

e. The Company shall not appoint or continue the employment of any person as Non-executive Director who has attained the age of seventy-five years. Provided that the term of the person holding this position may be extended beyond the age of seventy-five years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy-year years.

3.1.2 Term/Tenure

a. Chairman/Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re- appointment shall be made earlier than one year before the expiry of term.

b. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. *However, if a person who has already served as an Independent*

Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to such number as may be prescribed under the applicable laws in force.

3.1.3 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.1.4 Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.1.5 Evaluation of performance:

The Committee shall formulate and recommend to the Board, the criteria and framework for evaluation of performance of every Director including Chairperson, Managing Director, Board as a whole and Committees thereof.

3.2 Policy relating to the Remuneration for the Whole-time Director, KMP, Senior Management Personnel and Other Employees

3.2.1 General:

a. The remuneration/compensation/commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be aligned with the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage/slabs/conditions laid down in the Articles of Association of the Company if any and as per the provisions of the Act.

c. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the shareholders in the case of Whole-time Director wherever required.

d. The remuneration/compensation to other employees will be determined as per the Company HR policies and will be in line with Company's performance considering overall Indian market trends from time to time. The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Further, the remuneration/compensation shall be fixed pay or a mix of fixed and variable pay depending on role of the respective employee. Remuneration may also contain such other cash or non- cash perquisites or components or grants or such other benefits permissible under various regulatory requirements from time to time.

e. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.2.2 Remuneration to Whole-time/Executive/Managing Director, KMP and Senior Management Personnel:

a) Overall Remuneration:

The remuneration is divided into fixed pay, variable pay & mandatory/voluntary retirement benefits. The division is based on fixed pay and variable pay component as per the respective grade. Mandatory/voluntary retirement benefits are applicable to all.

The Whole-time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

Over and above the fixed and variable component the Whole-time Director/KMP and Senior Management Personnel may also be eligible for other cash or non-cash perquisites or grants or components or such other benefits as per company policies and as permissible under various regulatory requirements from time to time.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it.

3.2.3 Remuneration to Non-executive/Independent Director:

a) Remuneration/Commission:

The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company, if any and the Act.

b) Sitting Fees:

The Non-executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

4. BOARD DIVERSITY

Company recognises and embraces the importance of a diverse Board in its success. Company believes that a truly diverse board will leverage differences in thoughts, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure Company retains its competitive advantage.

Accordingly, the Nomination and Remuneration Committee is responsible for reviewing and assessing the composition of the Board. The Committee shall:

a. assess the appropriate mix of diversity, skills, experience, and expertise required on the Board and assess the extent to which the required skills are represented on the Board,

b. make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience, and expertise on the Board and

c. report to the Board, if any requirement, in relation to the diversity of the Board.

5. REVIEW/AMENDMENT:

The Committee is authorized to review, amend or modify this Policy, in whole or in part, as and when deemed necessary in line with the applicable laws, rules and regulations ("applicable laws"). Any amendment in the regulatory requirements shall be binding on the Company and shall prevail over this Policy even if not incorporated in the Policy. In any circumstance where the terms of the Policy differ from any applicable law for the time being in force, the provisions of such applicable law shall take precedence over the Policy.

ANNEXURES TO THE DIRECTORS' REPORT

Annexure 9 - DIVIDEND DISTRIBUTION POLICY

Introduction

This Dividend Distribution Policy (hereinafter referred to as "the Policy") has been adopted by the Board of Directors of Cummins India Limited (hereinafter referred to as "the Company") in the meeting held on February 1, 2017, pursuant to Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (hereinafter referred to as "the SEBI Regulations").

The Policy intends to set out several factors for consideration by the Board at the time of taking a decision on distribution *vis-a-vis* retention of profits, in the interest of providing transparency to the shareholders and maximising returns on investments.

The Policy is one of the guiding factors to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be considered relevant by the Board.

Dividend

Dividend means distribution of profits, earned in the current year or earlier years, by the Company, to its shareholders in proportion to the amount paid-up on shares held by them. Under Companies Act 2013 (the "Act"), a Company can either declare dividend during the year, which is called interim dividend, or can declare dividend after the end of financial year, which is called final dividend.

This policy applies to declaration of interim dividend and recommendation of final dividend by the Board.

Interim dividend can be declared by the Board of Directors during the financial year by passing a resolution at its meeting. Final dividend is recommended by the Board of Directors for approval by the shareholders at the annual general meeting.

The dividend for any financial year shall normally be paid in accordance with the provisions of the Act or such other provisions as may be applicable including:

- out of the profits for the year (arrived at after providing for depreciation in accordance with law and transferring such amount to reserves as may be considered appropriate by the Board of Directors of the Company); and/or
- out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.
- Out of free reserves

Factors affecting dividend declaration

The Board of Directors considers the following factors while arriving at the dividend amount:

Internal Factors & Financial Parameters

- profits earned during the year
- distributable surplus available with the Company
- Company's liquidity position & return ratios, future cash flow requirements for operations and reserve for any contingencies
- capital expenditure requirements for expansion and growth

- history of dividends distributed by the Company
- loan covenants, if any
- Contingent liabilities, under exceptional circumstances
- Any other significant developments that require cash investments.

External Factors

- dividends distributed by other comparable companies
- taxation policy and any amendments expected thereof
- cost and availability of alternative sources of financing
- state of economy and nature of industry
- macroeconomic and business conditions in general
- any other relevant factors that the Board may deem fit.

Utilisation of retained earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilisation of retained earnings of the Company would be based on criteria as the Board may deem fit from time to time.

Quantum and manner of dividend payout

The Company is committed to deliver sustainable value to all its stakeholders. The Company strives to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the equity shareholders, in the form of dividend. Determining the dividend pay-out depends on several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors, the Board shall have absolute discretion to determine & recommend appropriate Dividend pay- out for the relevant financial year.

The circumstances under which the shareholders may or may not expect dividend

The shareholders of the Company may expect dividend only if the Company has surplus funds after providing for all the expenses, depreciation, etc., and after complying with the statutory requirements under the Applicable Laws.

The shareholders of the Company may not expect dividend in the following circumstances, subject to the discretion of the Board of Directors:

- the Company has inadequacy of profits or incurs losses for the Financial Year;
- the Company undertakes/proposes to undertake a significant expansion project requiring higher allocation of capital;
- the Company undertakes/proposes to undertake any corporate action likely to have an impact on cash flows such as buy back of securities, acquisitions or joint arrangements requiring significant allocation of capital etc.
- the Company has significantly higher working capital requirement affecting free cash flow.
- the Company is prohibited to recommend/declare dividend by any regulatory body.

Provisions in regard to various classes of shares.

The provisions contained in this policy shall apply to all classes of Shares of the Company. It may be noted that currently the Company has only one class of shares, namely, Equity.

Review & modification

The Board is authorised to change or modify this Policy from time to time at its sole discretion and/or in pursuance of any amendments made by any relevant law for the time being in force.

Amendment

In the event of any conflict between the provisions in this Policy and of the Act/Regulations or any other statutory enactments, rules, the provisions such Act or the Regulations or statutory enactments or rules would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

Disclaimer

This Policy represents a general guidance regarding dividend and shall not be construed as a solicitation for investments in the Company's securities. It shall not act as an assurance or a commitment of guaranteed returns (in any form), on investments in the Company's securities.

The statement of the Policy does not in any way restrict the right of the Board to use its discretion in the recommendation of the Dividend to be distributed in the year and the Board reserves the right to depart from the policy as and when circumstances so warrant.

ANNEXURES TO THE DIRECTORS' REPORT

Annexure 10 – INFORMATION AS REQUIRED UNDER THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

1 Remuneration paid to the Directors:-

a. As on March 31, 2026, the Board of Directors of the Company consists of 1 Executive Director, 4 Non-executive and non-independent Directors and 5 Non-executive Independent Directors.

b. Details of remuneration paid to Managing Director of the Company:

(₹ In Crores)

	Salary	Commission	House Rent	Other Benefits	Total
Ms. Shveta Arya					
April 2025 – March 2026	6.07	-	-	1.26^	7.33
% increase in remuneration during the FY			As per below note#		

^ This value includes stock options of Holding Company and other perquisites. Further, liability for post-employment benefits, other long-term benefits, termination benefits and certain short-term benefits such as compensated absences as applicable are provided on an actuarial basis for the Company as a whole. Accordingly, the amount for the above pertaining to Ms. Shveta Arya is not ascertainable and therefore not included above.

#Ms. Shveta Arya was appointed as Managing Director of the Company with effect from September 01, 2024, and was promoted again as Cummins Inc. Officer with effect from March 01, 2025. The overall compensation increase was 20.27% including Long-Term Incentive (LTI) eligibility enhancements. The overall increase has been computed basis TCC with LTI as on April 01, 2025.

c. Details of Sitting Fees and Commission to Non-executive Independent Directors for the period April 01, 2025, to March 31, 2026:

(Amount in ₹)

Name of the Director	FY 2024-25			FY 2025-26			% increase in remuneration over 2025-26
	Sitting fees	Annual Commission	Total	Sitting fees	Annual Commission	Total	
Mr. Nasser Munjee[1]	3,00,000	5,00,000	8,00,000	NA	NA	NA	NA
Mr. Rajeev Bakshi[1]	3,00,000	5,00,000	8,00,000	NA	NA	NA	NA
Ms. Rama Bijapurkar[2]	14,00,000	15,00,000	29,00,000	2,50,000	3,15,753	5,65,753	NA
Ms. Rekha	7,00,000	15,00,000	22,00,000	9,00,000	15,00,000	24,00,000	NA
Ms. Lira Goswami	15,50,000	15,00,000	30,50,000	14,50,000	15,00,000	29,50,000	NA
Mr. Farokh N. Subedar[3]	11,50,000	12,62,097	24,12,097	13,50,000	15,00,000	28,50,000	NA
Mr. Sekhar Natarajan[3]	13,50,000	12,62,097	26,12,097	15,50,000	15,00,000	30,50,000	NA
Ms. Vibha Paul Rishi[4]	NA	NA	NA	8,50,000	9,69,521	18,19,521	NA

1. Mr. Nasser Munjee and Mr. Rajeev Bakshi retired as a Non-executive Independent Director effective from July 31, 2024, upon completion of their second term.

2. Ms. Rama Bijapurkar ceased to be a Non-executive Independent Director of the Company upon completion of her first term of five years with effect from June 16, 2025.

3. Mr. Farokh N. Subedar and Mr. Sekhar Natrajan were appointed by the Board as Additional Directors (Non-executive and Independent) of the Company effective May 29, 2024, and regularized as Directors (Non-executive and Independent) of the Company at the 63rd Annual General Meeting of the Company held on August 07, 2024, for their first term of five (5) consecutive years effective from May 29, 2024 to May 28, 2029.

4. Ms. Vibha Paul Rishi was appointed by the Board as an Additional Director (Non-executive and Independent) with effect from August 09, 2025, and was regularized as a Director (Non-executive and Independent) on October 07, 2025, through postal ballot conducted by remote e-voting process, to hold the office for the period of five (5) consecutive years effective from August 09, 2025 to August 08, 2030.

5. Independent Directors were entitled to remuneration by way of sitting fees for attending meeting of Board and Committees and profit linked commission, hence the % increase in remuneration over 2024-25 is not applicable.

d. Other details:

- The median remuneration of employees of the Company during the FY 2025-26 was ₹ 12,01,433/-.

- The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2025-26:

Name of Directors	Designation	Ratio of remuneration to MRE*
Ms. Jennifer Mary Bush	Chairperson of the Board	-
Ms. Shveta Arya	Managing Director	60.98
Ms. Rama Bijapurkar[1]	Independent Director	0.47
Ms. Rekha	Independent Director	2.00
Ms. Lira Goswami	Independent Director	2.46
Mr. Farokh N. Subedar	Independent Director	2.37
Mr. Sekhar Natarajan	Independent Director	2.54
Mr. Donald Jackson Gray	Non-executive Director	-
Ms. Bonnie Jean Fetch[2]	Non-executive Director	-
Mr. Cornelius O'Sullivan	Non-executive Director	-
Ms. Vibha Paul Rishi[3]	Independent Director	1.51
Mr. Thierry Bruno Pimi Nouyeuwe[4]	Non-executive Director	-

*MRE – Median Remuneration of employees ₹ 12,01,433/- with ratio rounded-off to two decimals.

1. Ms. Rama Bijapurkar expressed her intention not to continue as an Independent Director of the Company for second term due to preoccupations, developments in her professional portfolio and shift in her ongoing commitments. Accordingly, Ms. Bijapurkar ceased to be a Non-executive Independent Director of the Company upon completion of her first term of five years with effect from June 16, 2025.
2. Ms. Bonnie Jean Fetch resigned as Director (Non-executive and Non-independent) of the Company with effect from May 29, 2025, pursuant to her role change within the Cummins Group.
3. Ms. Vibha Paul Rishi was appointed by the Board as an Additional Director (Non-executive and Independent) with effect from August 09, 2025, and was regularized as a Director (Non-executive and Independent) in by way of a special resolution passed on October 07, 2025, through postal ballot.

4. Mr. Thierry Bruno Pimi Nouyeuwe was appointed by the Board as an Additional Director (Non-executive and Non-independent) with effect from August 09, 2025, and regularized as a Director (Non-executive and Non-independent), by way of an ordinary resolution passed on October 07, 2025, through postal ballot.

— Percentage increase in remuneration of Key Managerial Personnel (Chief Financial Officer and Company Secretary) in the Financial Year 2025-26:

(₹ In Crores)

Name & Designation of other KMP	Remuneration 2025-26^	% increase in remuneration over 2024-25#
Mr. Prasad S Kulkarni, Interim Chief Financial Officer (upto July 21, 2025)	0.34	NA
Ms. Soma Ghosh, Chief Financial Officer (from July 21, 2025)	1.92	NA
Ms. Vinaya Joshi, Company Secretary	0.71	29.91%

#The percentage increase in remuneration is computed based on actual increment on the guaranteed cash component effective April 01, 2025.

^This value includes stock options of Holding Company. Further, liability for post employment benefits, other long-term benefits, termination benefits and certain short-term benefits such as compensated absences is provided on an actuarial basis for the Company as a whole. Accordingly, the amount for above pertaining to Mr. Prasad S Kulkarni, Ms. Soma Ghosh and Ms. Vinaya Joshi are not ascertainable and, therefore not included above.

— In the Financial Year, there was an increase of 5.55% in the median remuneration of employees as part of the annual compensation cycle (excluding promotion increase, off cycle compensation corrections and other increases) and the Key Managerial Personnel excluding Managing Director. This was effective April 01, 2025.

— Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof including any exceptional circumstances for increase in the managerial remuneration.

  - The average percentage increase for Key Managerial Personnel*: 29.91%
  - The average percentage increase of employees other than the managerial personnel: 13.00%
  - The average percentage increase in salaries is primarily on account of market movement-based increase in salaries.

— There were 3088 permanent employees on the rolls of the Company as on March 31, 2026.

— The Profit before Exceptional Items and Tax for the Financial Year ended March 31, 2026, increased by 19.59% whereas the % increase in median remuneration of the employees as well as the Key Managerial Personnel (excluding Managing Director) was 5.55%.

— It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnels and other employees.

**For the purpose of calculating % increase in remuneration of KMPs, only those KMPs who were appointed through out the current and previous financial year, are considered for comparison.*

ANNEXURES TO THE DIRECTORS' REPORT

Annexure 11 – ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, as amended from time to time]

1. Brief outline on Corporate Social Responsibility (CSR) Policy of your Company:

Corporate citizenship is a natural extension of the Company's values. Your Company also recognises and appreciates the long-term benefits of such an association over tangible results in the short term for the communities in which it operates. Towards achieving long-term stakeholder value creation, Company shall continue to prioritise the communities, especially those from socially and economically backward groups, the underprivileged, marginalized and most vulnerable groups.

The CSR initiatives of your Company are predominantly implemented through the Cummins India Foundation ('the Foundation' or 'CIF'), a Public Charitable Trust registered under *inter-alia* the Maharashtra Public Trusts Act,1950 and the Income-Tax Act, 1961. CIF is also registered with Ministry of Corporate Affairs (MCA), Government of India as an implementing agency for undertaking CSR activities.

CSR initiatives of the Company are aligned with Cummins' mission to serve and improve the communities in which we live and operate, reflecting our commitment to creating sustainable, inclusive impact. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013 ('the Act').

The four focus areas include Education, Environment, Equity and Strategic projects, across all the Company's locations. The key strategic projects - Cummins Powers Women, Cleaner Air Better Life, Monsoon Resilient Maharashtra, and Phaltan Model Town under the CSR umbrella.

In addition to the CSR obligation prescribed under the Act, your Company is committed to the active involvement and participation of its employees in corporate social responsibility initiatives through the 'Every Employee Every Community' (EEEC) program. EEEC is rooted in Cummins' long standing core value of Caring - where doing the right thing for communities is as important as delivering business results. Through EEEC, employees bring their unique talents, skills, and lived experiences to serve communities, turning professional expertise into purposeful action. It's not just about volunteering time; it's about showing up with empathy, respect, and heart. As employees uplift communities, they also feel a deep sense of connection, pride, and fulfilment, reinforcing the belief that when we care deeply, everyone grows together.

CSR Policy and Projects:

The Corporate Social Responsibility and Sustainability (CSRS or 'the Committee') Committee has formulated a CSR Policy *inter-alia* indicating the CSR activities to be undertaken by the Company as per the Act. The said policy was revised and adopted in the Board meeting held on February 04, 2026. The Committee reviews and recommends the amount of expenditure and CSR activities to be undertaken by the Company. The Committee also monitors the implementation of the CSR Policy of the Company from time to time. Details of the Policy of the Company are available at: https://www.cummins.com/en/in/investors/india-corporate-governance

Details of various CSR initiatives undertaken by the Company are provided in this report and in the Business Responsibility and Sustainability Report of the Company for Financial Year 2025-26.

2. Composition of Corporate Social Responsibility and Sustainability (CSRS) Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Lira Goswami[1]	Chairperson of the Committee (Independent Director)	2	1
2	Ms. Rama Bijapurkar[2]	Chairperson of the Committee (Independent Director)	1	1
3	Mr. Farokh N. Subedar	Member (Independent Director)	4	4
4	Ms. Shveta Arya	Member (Managing Director)	4	4
5	Ms. Rekha	Member (Independent Director)	4	3
6	Ms. Vibha Paul Rishi[3]	Member (Independent Director)	2	2
7	Mr. Thierry Bruno Pimi Nouyeuwe[3]	Member (Non-independent Director)	2	2
8	Ms. Bonnie Jean Fetch[4]	Member (Non-independent Director)	1	0

Notes:

1. Ms. Lira Goswami was appointed as the Chairperson of Corporate Social Responsibility and Sustainability Committee effective August 09, 2025.
2. Ms. Rama Bijapurkar ceased to be a Non-executive Independent Director of the Company upon completion of her first term of five years with effect from June 16, 2025, pursuant to which she also ceased as Chairperson of Corporate Social Responsibility and Sustainability Committee effective June 16, 2025.
3. Ms. Vibha Paul Rishi and Mr. Thierry Bruno Pimi Nouyeuwe, were appointed as the Members of the Corporate Social Responsibility and Sustainability Committee effective August 09, 2025.
4. Ms. Bonnie Jean Fetch ceased as Director (Non-executive and Non-independent) consequent to her resignation with effect from May 29, 2025, consequent to which she also ceased to be a Member of Corporate Social Responsibility and Sustainability Committee effective May 29, 2025.

Further details and terms of reference of the CSRS Committee are given in the Corporate Governance Report, which forms a part of the Annual Report.

3. Weblink where composition of CSRS Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: The Composition of CSRS Committee, CSR Policy and CSR projects for FY 2025-26 approved by the Board is available at https://www.cummins.com/en-in/en/in/investors/india-corporate-governance.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable:

During the financial year under review, the impact assessment of one of the project 'Nurturing Brilliance Scholarship Program' under the theme Education- 'Education Assistance to Socially and Economically Weaker Sections' in Maharashtra, Madhya Pradesh and Jharkhand was undertaken by an independent agency, Ernst & Young LLP, engaged by the Company. Detailed Report can be accessed on the website of the Company at https://www.cummins.com/en/in/investors/india-annual-reports

A brief summary of the aforesaid Impact Assessment is given herein below:

Your Company along with certain other Cummins Group Companies in India (collectively referred as 'Cummins') was jointly running the 'Nurturing Brilliance Scholarship Program', which began in 2006 and has benefitted more than 3,000 students till date in Maharashtra, Madhya Pradesh and Jharkhand through fees reimbursement, providing laptops and mentoring the scholars. As one of the leaders in the field of technology, Cummins aims at nurturing a quality workforce for the engineering industry through this program. Therefore, the scholarship programs support aspiring engineering and diploma degree students.

This report assesses the impact created on students across the three states from the Financial Year 2022-2025.

Support provided under the program

The program complements private-sector scholarships by offering a uniquely comprehensive package- tuition support, laptops, mentorship, and soft-skills training addressing gaps left by merit-cum-means or subsistence-only programs. This positions NB as an additive actor in the scholarship space – supplementing private and state efforts to catalyze socio-economic mobility, with unique program design, comprehensive coverage, and support for students.

Impact of Nurturing Brilliance (NB) scholarship program:

Since inception, the scholarship program has supported more than meritorious 3,000 students from six government colleges and around 170 private institutions. Below is the impact as assessed by conducting interviews with scholars as well as other stakeholders including placement officers, parents and mentors.

- Financial Aid resulting in academic continuity and peace of mind:
    - ∽4× higher CTC of placed students as compared to the average household income (₹ 1.23 lakh per annum).
    - 65% reported reduced financial stress through financial aid provided by scholarship program.
    - 67% of scholars would have taken debt, if the scholarship was not provided.
- Mentorship Guidance resulting in Career Clarity, Motivation, Employability & Emotional Well-Being:
    - 81% received support in developing an actionable career plan - Significant increase in career readiness indicators.
    - Doubling of students' average self-efficacy in their ability to resolve complex issues themselves.
    - 85.5% students found the mentorship guidance fairly effective.
- Impact of Laptop provision resulting in Digital Literacy, Academic Productivity & Learning Flexibility:
    - 74% students received their own devices through the program.
    - 87% students reported enhanced flexibility in studies.
    - 79% students were able to enroll in new courses/technologies.

Approach and Methodology:

- The Third-Party Impact Assessment commissioned for NB Financial Year 2022 – 2025 as the study sample.
- The assessment entailed globally accepted evaluation criteria: OECD-DAC – Relevance, Coherence, Effectiveness, Impact, Sustainability.

- Structured quantitative surveys were undertaken with around 240 students randomly sampled to understand the impact the scholarship program has created. Additionally, in-person qualitative interactions were carried out to gather in-depth perspectives of the program benefits.

5. Average net profit of the Company as per Section 135(5) of the Act:

Sr. No.	Particulars	Amount in (₹)
(a)	Average net profit of the Company as per sub-section (5) of Section 135	18,55,24,75,746
(b)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	37,10,49,515
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year	Nil
(d)	Amount required to be set off for the financial year, if any	Nil
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	37,10,49,515

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 36,24,73,753

(b) Amount spent in Administrative Overheads: ₹ 49,16,287

(c) Amount spent on Impact Assessment, if applicable: ₹ 5,10,000

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 36,79,00,040

(e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (in ₹)	Amount unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
36,79,00,040*	31,49,475	April 23, 2026	NA	NA	NA

**Note: Pursuant to Section 135 of the Act, and Rules made thereunder, the Company had contributed CSR obligation of ₹ 37,10,49,515 for Financial Year 2025-26 to CIF, an implementing agency of the Company. After spend of ₹ 36,79,00,040 on ongoing projects including impact assessment of ₹ 5,10,00,00 and administrative expenditure of ₹ 49,16,287 incurred by the Company through CIF, there was an unspent amount of ₹ 31,49,475 as on March 31, 2026. The said unspent amount was transferred to a separate bank account in the name of ' M/S.CUMMINS INDIA LTD - UNSPENT CSR FY 2025-26' on April 23, 2026, as per Section 135(6) of the Act.*

(f) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	37,10,49,515
(ii)	Total amount spent for the Financial Year	36,79,00,040
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Not Applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

7. Details of Unspent CSR amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	**Preceding Financial Year(s)**	**Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)***	**Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)**	**Amount Spent in the Financial Year (in ₹)**	**Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any**		**Amount remaining to be spent in succeeding Financial Years (in ₹)**	**Deficiency, if any**
					Amount (in ₹)	**Date of Transfer**		
1	FY-1: 2024-25	1,61,53,393	0	1,61,53,393	Not Applicable		Not Applicable	0
2	FY-2: 2023-24	3,67,23,287	0	0	Not Applicable		Not Applicable	0
3	FY-3: 2022-23	1,54,72,700	0	0	Not Applicable		Not Applicable	0

**Note: CIF had unspent amount of ₹ 1,61,53,393/- as on March 31, 2025 towards ongoing project. This amount was transferred in the separate bank account opened under name CUMMINS INDIA LTD-Unspent CSR FY 2024-2025 ('CSR Unspent Account 24-25') on April 21, 2025. During the financial year depending on the project requirements, the Company had disbursed amount from CSR Unspent Account 24-25 to CIF. Further, CIF had spent this unspent amount of ₹ 1,61,53,393 in Financial Year 2025-26 towards ongoing projects.*

Further, unspent amounts for FY-2 and FY-3 have already been spent on the ongoing projects during the immediately succeeding financial year, respectively.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No.

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):

During the financial year under review, the Company was required to spend ₹ 37,10,49,515/- in accordance with Section 135(1) of the Act. Out of the same, the Company had spent ₹ 36,79,00,040/- on the ongoing CSR projects during the Financial Year through its implementing agency, Cummins India Foundation ('CIF'). As mandated under the Act the unspent amount allocated to the ongoing CSR projects of ₹ 31,49,475/- was transferred to the CSR unspent account. This project will continue to be implemented in Financial Year 2026-27 and onwards as per statutory provisions applicable in this behalf. There were multiple practical challenges such as under Nurturing Brilliance – Cummins Scholarship Program Phase II project, the students were unable to claim the reimbursement of the fees due to unavoidable changes in semester dates. The aforementioned amount of ₹ 31,49,475/- was unspent and has been transferred to the unspent account opened by the Company. The Company reiterates its commitment to discharge its CSR obligation and shall continue to implement meaningful CSR projects in the CSR areas in accordance with its CSR Policy.

Further, during the financial year, CIF also spent the entire amount ₹ 1,61,53,393/- from the unspent CSR account for the Financial Year 2024-25.

10. Detailed CSR Initiatives of Financial Year 2025-26:

Since its inception, the Foundation has played a pivotal role in advancing inclusive and equitable development across India through focused interventions in education, equity, and environmental sustainability. Powered by Cummins' core values and a robust governance framework, the Foundation has consistently delivered programs with depth, scale, and measurable impact. Its work reflects long term partnerships with communities and stakeholders, grounded in responsiveness to local needs and aligned with national priorities. Over the years, the

Foundation has strengthened institutions, empowered individuals, and enabled pathways to opportunity. Marking this milestone, Cummins India Foundation reaffirms its enduring commitment to responsible corporate citizenship and nation building.

Addressing the social, civic and environmental issues, your Company made significant contributions in Financial Year 2025-26 with projects on Education, Environment, Equity and Strategic projects *viz*- Rural Development, Zero water resilience, Afforestation and Biodiversity, Zero Waste Communities, Scholarship Program, Cummins Powers Women and Cummins Water Works (Monsoon Resilient Maharashtra). Following are the details of some of these key projects:

Education

Nurturing Brilliance (NB) Scholarship Program - Launched in 2006, this program aims to support meritorious students from financially and socially disadvantaged backgrounds in pursuing professional engineering degrees and diplomas. The program offers both financial assistance and non-financial support, including mentorship by senior Cummins employees who guide students throughout the duration of their academic journey. To further support their development, students also receive access to a digital softskills training module.

In Financial Year 2025-26, the program supported 473 students, including both continuing and newly inducted scholars across Pune, Phaltan.

Launched Nurturing Brilliance Wings with an aim to include aspiring People with Disabilities (PWD) engineers. NB Wings is a natural and thoughtful extension of the Nurturing Brilliance scholarship—ensuring that opportunity reaches every deserving mind, without barriers. Rooted deeply in Cummins' core value of Inclusion, it recognizes that talent is universal, even when access is not. Through NB Wings, Cummins goes beyond support to offer belief, dignity, and equitable pathways for students with disabilities. It reflects a simple yet powerful intent: to walk alongside every scholar as they spread their wings and soar.

A detailed impact assessment of the Nurturing Brilliance Scholarship Program for the cycle of students from 2022-25 has been conducted, which has helped identify the impact that the program has on the students as well as the areas of improvement that can help the program evolve further.

Technical Education for Communities (TEC)

The TEC program is a global initiative that seeks to transform lives through technical vocational education by training youth in employable skills to gain good jobs. The program focuses on reducing the gap between the skills employers need and those that job seekers possess, recognizing that good jobs are pathways into the economy, affecting entire families. It provides a standardized education framework to help institutions develop market-relevant curriculum, enhance teacher training, offer career guidance, and enable work-based learning opportunities. In Financial Year 2025-26, your Company supported 385 students across TEC sites in India—Phaltan, Kolhapur and Dharashiv. A cluster-based approach of improving the employability of students at 10 ITIs in Maharashtra was piloted. This involved initiatives from train the trainers, soft skills enhancement to reaching out to industries. We saw an improved placements of 1000+ graduates across the 10 ITIs.

Cummins College of Engineering for Women (CCEW)

Cummins India Foundation, in partnership with Maharshi Karve Stree Shikshan Samstha, established the Cummins College of Engineering for Women in Pune in 1991, with a second campus launched in Nagpur in 2010. This long-standing initiative aims to empower women in engineering and technology by delivering quality education and fostering leadership. Cummins supports CCEW through focused investments in focus areas including infrastructure, student advancement, and faculty development. Senior leaders from Cummins actively engage with the institution through mentoring and knowledge-sharing. In Financial Year 2025 - 26, more than 2,480 young women benefited from this initiative. With continued support, CCEW Pune and Nagpur have achieved NAAC 'A' and 'A+' accreditation, respectively - underscoring the program's impact on academic excellence and equity in education.

Environment - Zero Waste Communities

Organic Waste Management

Cummins India continues to scale its organic waste initiatives by building on successful festival waste management programs such as *Nirmalya and Patravali*. These multi-stakeholder projects, implemented during major festivals in Maharashtra, involve extensive planning and collaboration. Cummins supported the Pune Municipal Corporation in establishing decentralized waste collection systems and centralized composting units. In Financial Year 2025-26, 250 tons of *Nirmalya* waste were converted into compost. This compost now supports Pune's gardens and benefits local farmers, creating a sustainable value chain.

Zero Waste slum project

Through the Zero Waste Slum Project, Cummins India aims to enhance waste segregation at the source, encourage scientific disposal, and foster behaviour change within under-served communities. The initiative has achieved 85% door-to-door waste collection coverage and eliminated five major chronic waste dumping sites. By working with NGO partners and emphasizing community ownership, the project positively impacted over 3,900+ residents from low-income community.

Inorganic Waste Management

Plastic and electronic waste present long-term environmental challenges. To address this, Cummins and its partners conduct structured awareness programs in schools, colleges, and residential areas. Zero-contact collection drives operate from 25 permanent weekend centers and large-scale citywide events. In Financial Year 2025-26, these efforts reached over 4,00,000 citizens. Cumulatively, 205 metric tons of plastic waste and 54 metric tons of e-waste were collected and responsibly recycled. Over 39,000+ students from 100+ schools participated in targeted educational campaigns, building a foundation for future waste-conscious communities.

Afforestation & Biodiversity

To counteract the impact of rapid urbanization on green spaces, Cummins supports large-scale afforestation efforts around its facilities in India. In Financial Year 2025-26, more than 20,200 trees were planted and nurtured in partnership with NGOs, local communities, the forest department, and defense organizations. A consistent tree survival rate of 90% reflects strong ecosystem stewardship. These efforts contribute to climate resilience, biodiversity conservation, and groundwater recharge.

Urban Water Resilience

India faces acute water stress, with climate change and urban growth exacerbating scarcity. Cummins' water initiatives adopt a scientific and integrated approach, combining conservation, recharge, and pollution mitigation. In Financial Year 2025-26, your Company desilted a 1.2 km stretch near Khadakwasla Dam and created two new ponds in Pune, contributing to the conservation of over 900 million gallons of water.

Clean Technology

Globally, we are experiencing warmer temperatures and changing weather patterns, which are disturbing the usual balance of nature. There is a growing need for products and services that are 'clean' and help reduce or optimize the use of natural resources, while also minimizing the negative impact on the planet. With the aim of building healthier, cleaner, resilient, and sustainable communities, CIF supports technology based solutions that are innovative and focused on protecting and enhancing the environment.

We partner with reputed incubation centres in India to support early-stage start-ups in the areas of energy and environment by providing initial funding. This program was initiated in Financial Year 2020–21 and, in Financial Year 2025–26, supported 18 start-ups working in the areas of circular economy, sustainable mobility, and clean energy.

Equity

Local Community Care

To support vulnerable populations, Cummins continued its partnership with NGOs serving specially-abled individuals and other vulnerable groups. As part of the intervention, Cummins supports infrastructure upgradation, reducing recurring operational expenses and support through assistive technology. In Financial Year 25-26, more than 25 AI smart glasses were provided to visually impaired girls and maintenance of kitchen garden and sensory gardens were undertaken.

Enhanced mobility & independence for PwVIs: Mobility training and smart cane distribution improved safe navigation and daily accessibility with 100+ lives. Along with strengthened livelihood opportunities for PwDs, sheltered workshops and dedicated jute bag and brail printing production units, employing a total of 10 youths, are helping build vocational skills, leading to higher annual income and sustainable employment.

Rural Development

Cummins' holistic rural development efforts reached 24 villages across India in Financial Year 2025-26, including expansion to the aspirational district of Nandurbar, Damoh, Khunti & Ranchi. More than 50,000 individuals have benefitted from programs designed to improve infrastructure, water access, Model Agriculture farming & solar powered farming practices, education, and women's empowerment through livelihood interventions.

Under the initiative to improve access to clean and safe drinking water, 10 community-based water purification plants equipped with Water ATMs were installed across rural villages. This initiative has significantly enhanced water security by providing reliable access to potable drinking water to approximately 30,000 villagers. The Water ATMs are operated and maintained by local women Self-Help Groups (SHGs), ensuring community ownership and long-term sustainability of the infrastructure. In addition to improving public health outcomes, the model has created livelihood opportunities for women by enabling them to earn additional income through daily operations and maintenance activities, thereby contributing to women's economic empowerment at the grassroots level.

- **Water Conservation and Access**

Over 500 million gallons of water was conserved through the construction of check dams, desilting of water streams, pond rejuvenation, and installation of percolation tanks.

- **Education Infrastructure**

Cummins supported upgrades in 17 government schools across its model villages, positively impacting over 3,700 students annually. Infrastructure improvements included classrooms, sanitation, and learning resources.

Aspirational Rural Development - The Model Village program in aspirational districts aims to build resilient, inclusive, and self-reliant rural communities through an integrated approach to water security, climate-resilient agriculture, livelihood enhancement, and community institution building. Implemented across Maharashtra, Jharkhand, and Madhya Pradesh, the program demonstrates how a cluster-based rural development model can strengthen natural resource management, improve livelihoods, and build community ownership.

During the year, the program created visible impact across the three geographies. In Jharkhand, 16 solar irrigation units were set up, bringing 245+ acres under irrigation; 260+ acres of orchard plantation were completed; 685+ farmers were engaged; 158 high-value agriculture demonstrations were undertaken; and 1,509 community members were trained. The project also leveraged ₹10+ Crore through convergence with government schemes. In Madhya Pradesh, 44 producer groups were formed across 10 villages; 700 vermicompost beds were installed; 120 farmers were supported with drip irrigation and mulching; 160 goats were distributed; and village profile surveys covered 1,794 households. In Maharashtra, the program reached 14 villages; completed water budgeting in 7 villages; restored 6 water harvesting structures; supported 9 schools with water filters; promoted 2,100 kitchen

gardens; established 84 vermicompost units; supported 28 drip/sprinkler systems and 56 rain pipe sets; and strengthened community institutions through 14 Village Development Committees and 28 Krushidoot and Pashu Sakhis.

Collectively, the Model Village program is helping transform aspirational districts into hubs of sustainable rural development by improving water availability, enhancing farm productivity, diversifying incomes, and strengthening community institutions. It offers a replicable model of integrated rural development that addresses immediate needs while laying the foundation for long-term resilience and prosperity.

Women's Empowerment: EmpowHer

The EmpowHer program was launched to enhance financial inclusion and entrepreneurial capability among rural women. The "Udgam" initiative, part of this framework, promotes menstrual hygiene awareness and entrepreneurship through the installation of eco-friendly sanitary napkin production units. This successful model has been replicated at other Cummins plant locations.

Building on this success, the program was expanded to include alternate livelihoods such as tailoring, food processing (papad and roti making), poultry farming, chick incubation and kitchen gardening. To date, 70 new women-led SHGs have been formed and trained in entrepreneurship, impacting more than 700 women across rural communities, including those in Nandurbar.

Strategic Projects

Monsoon Resilient Maharashtra (MRM): This project was conceptualized with a vision to address water scarcity in Maharashtra by making communities less dependent on the monsoon and more resilient to its vagaries.

MRM is a unique model of watershed development that integrates hydrogeological studies with GIS mapping to identify high-impact areas for treatment. To ensure the project's sustainability, MRM emphasizes community participation and capacity building. Collaborations with stakeholders are a key component in scaling the project. In Financial Year 2025–26, MRM was implemented in 14 villages of Dharashiv district. On the supply side, works were undertaken across 311 hectares (ha), including 50 ha under saline land reclamation, 36 ha under deep continuous contour trenching, and 225 ha under farm bunding, along with restoration of an existing water harvesting structure and water budgeting support for 9 groups. On the demand side, support was extended for 104 dry land horticulture/agroforestry interventions, 129 drip/sprinkler irrigation systems, and 150 acres under bio-input farming. In addition, support was provided to improve livestock based livelihoods, including 70 resource poor families supported through goat rearing, 180 women goatry entrepreneurs covered through skill upgradation modules, and 15 vulnerable households supported for upscaling or initiating enterprises.

Cleaner Air Better Life (CABL) is a collaborative platform where industry, entrepreneurs, governments, and civil society come together to address the sources of air pollution. Multi-stakeholder engagements were conducted throughout 2017- 18 under the four task forces constituted by Cummins and NITI Aayog in June 2017, as part of the Cleaner Air Better Life initiative. Action plans have since been designed to address identified sources of air pollution, with the mission to improve air quality and thereby contribute to a better quality of life across both urban and rural India.

In 2025-26, Cleaner Air Better Life continued its expansion through urban initiatives and crop residue management, extending its reach to a total of 793 villages across Punjab and Haryana. Over the years, CABL's impact is evident from a positive shift in crop residue burning from 97% in 2017 to 50% in 2023 according to CABL's CAHS 2024 Report. This progress reflects the concerted efforts of all stakeholders.

In Pune, we have successfully formed multiple coalitions and initiated data collection and community mobilization efforts. We are now working to scale up and develop structured processes to improve air quality in the Pune city region.

Cummins Powers Women (CPW): Cummins is advancing gender equity through various initiatives focused on education, economic empowerment, legal rights, and personal safety. The "L.E.A.P – Life and Employability Skills for Adolescents Program" empowers students from underserved schools in Pune, Bangalore, and Delhi with essential 21st century skills, including leadership, career guidance, and financial literacy. In Financial Year 2025-26, the program reached more than 5,200 students across 9 schools. The Gender Equity Initiative mobilizes leaders and employees globally to address gender inequality, providing training, funding, and resources to grassroots leaders in India. These leaders advocate for policy changes and have impacted over 64,348 individuals by addressing issues such as child nutrition, gender-based violence, and menstrual health.

Project Sakhi, a project under CPW, helps vulnerable families access government benefits, with a focus on women who face barriers due to lack of awareness or bureaucratic complexity. The program reached 9,000+ people, unlocking benefits worth ₹ 5+ crore. The Girls Voices Initiative strengthens girls' clubs and builds leadership capacities among adolescent girls in Maharashtra, enabling them to advocate for their rights and address local issues. Over 400 girl leaders have been trained, leading efforts in areas like menstrual health, child marriage, and girls' education, and representing their communities in international forums.

Cybershiksha for Cybersuraksha - With a focus on cybersecurity awareness, preventive healthcare, and life-skill education, especially for underserved communities, 17,000+ children were reached in 75+ schools in Pune and Phaltan.

Leadership Accelerator aims at advancing gender equity and justice through stronger local leadership in education, health, and economic opportunity for women and girls. In collaboration with Rise Up Together, trainings were imparted to 25 local civil society leaders to advance education, health and economic opportunity in Jharkhand.

Phaltan Model Town

The Phaltan Town Development Project was guided by the vision of making Phaltan one of the most livable and progressive towns in its category across India. Rooted in the pillars of Clean, Green and Smart, the initiative focused on strengthening civic infrastructure, promoting sustainability, and enhancing quality of life - ensuring that the benefits reached all sections of the community.

Clean Town Improvements

The Clean Town initiatives strengthened civic amenities, sanitation, staff welfare, and public infrastructure to create a cleaner, safer and more functional urban environment. Key interventions included upgrading the lodging facility at the city bus station. Purified drinking water systems with filtration and cooling units were installed across six municipal schools and two bus depots, benefiting students and staff. Sanitation facilities were enhanced through the renovation of toilets. Infrastructure improvements also included concretization of 13,806 sq. ft. at the bus depot to improve durability and operations, and development of a tin-shed workshop room to support the AI Lab and educational activities. Collectively, these efforts positively impacted over 8,000 beneficiaries.

Green Town Improvements

The Green Town initiatives strengthened environmental sustainability, recreational infrastructure, and public open spaces to promote wellbeing, biodiversity, and climate resilience. A centrally located 10+ acre eco friendly garden was upgraded to enhance recreational access for residents and children, including the creation of a dedicated toddler play zone (0-3 years) with 10 safe, age appropriate play installations. The Nakshtravan and toddler areas were further enriched through extensive landscaping with over 1,500 shrubs and plants. Together, these interventions created greener, safer and more engaging community spaces, benefiting over 50,000 residents, students, and visitors.

Smart Town Improvements

The Smart Town initiatives focused on strengthening educational infrastructure, digital learning systems, and safety to create more effective and secure school environments. Technology-enabled learning was advanced through the installation of digital display panels in six schools and CCTV systems in two schools, enhancing both classroom engagement and campus security. Civil infrastructure upgrades across five schools improved safety and functionality, including upgradation of kitchen rooms. Collectively, these efforts strengthened learning environments and student safety, benefiting over 9,000 students.

Recognition and Outcomes

These community-driven initiatives significantly enhanced the profile of Phaltan Nagar Parishad, leading to notable recognition at both the regional and state levels. Under the Mazi Vasundhara Abhiyan, the Parishad improved its ranking from 24th to 10th at the state level and secured 3rd place regionally. The initiatives also contributed to the State-Level Adarsh Shala Puraskar 2025, while the Phaltan Bus Stand was ranked 1st in the region and received ₹ 10 lakh for further enhancement and development.

Collective Impact

Collectively, these initiatives have positively impacted close to 67,000 residents, students, staff and visitors in Phaltan, contributing to a cleaner, greener, smarter, and more inclusive urban environment.

Responsibility Statement of the CSRS Committee:

In pursuance of the provisions of Section 135 of the Act, read with Rule 8 of the Companies (CSR Policy) Rules, 2014 and amendments thereto, it is stated on behalf of the CSRS Committee of the Board of Directors of the Company that, the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company for the Financial Year 2025-26.

For and on behalf of the Board of Directors,

Date: May 27, 2026
Place: Mumbai

Jennifer Mary Bush
Chairperson
DIN: 09777114

Shveta Arya
Managing Director
DIN: 08540723

Lira Goswami
Chairperson of the CSRS Committee
DIN: 00114636

Annexures to the Directors' Report

Annexure 12 – BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR) FY 2025-26

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity: L29112PN1962PLC012276
2. Name of the Listed Entity: Cummins India Limited
3. Year of incorporation: 1962
4. Registered office address: Cummins India Office Campus, Tower A, 5th Floor, Survey No. 21, Balewadi Pune, 411045, Maharashtra, India
5. Corporate address: Cummins India Office Campus, Tower A, 5th Floor, Survey No. 21, Balewadi Pune, 411045, Maharashtra, India
6. E-mail: Cil.Investors@cummins.com
7. Telephone: +91 20 67067000
8. Website: www.cumminsindia.com
9. Financial year for which reporting is being done: April 1, 2025 - March 31, 2026
10. Name of the Stock Exchange(s) where shares are listed: BSE Limited and National Stock Exchange of India Limited.
11. Paid-up Capital: ₹ 55.44 Crore
12. Name and contact details (telephone, e-mail address) of the person who may be contacted in case of any queries on the BRSR report:

    Name: Ms. Vinaya Joshi
    Designation: Company Secretary
    Telephone: 020 6706 7000
    E-mail id: Cil.Investors@cummins.com

13. Reporting boundary: Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together): Standalone basis
14. Name of assurance provider: Price Waterhouse & Co Chartered Accountants LLP
15. Type of assurance obtained: Reasonable Assurance on BRSR Core

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Electrical equipment, General purpose and Special purpose machinery and equipment, Transport equipment	95%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Internal combustion engine (not vehicle engine), manufacturing	29112	54%
2	Manufacturing of parts and accessories (engines/turbines)	29113	23%
3	Generators/generating sets, manufacturing	31101	18%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	5*	23	28
International	-	-	-

*includes 1 warehouse

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	35 States and Union Territories
International (No. of Countries)	86

b. What is the contribution of exports as a percentage of the total turnover of the entity? 16.65%

c. A brief on types of customers

Cummins India Limited ("Cummins" or "CIL" or "the Company") serves a broad customer base across segments, including end users, OEMs, and channel partners such as dealers, distributors, and retailers. The Company collaborates with industries like utilities, transportation, and infrastructure, supporting end markets such as data centers, automotive, and power transmission and distribution.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	1,309	933	71.3%	376	28.7%
2.	Other than Permanent (E)	33	27	81.8%	6	18.2%
3.	Total employees (D + E)	1,342	960	71.5%	382	28.5%
	WORKERS					
4.	Permanent (F)	1,779	1,448	81.4%	331	18.6%
5.	Other than Permanent (G)	2,057	1,808	87.9%	249	12.1%
6.	Total workers (F + G)	3,836	3,256	84.9%	580	15.1%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	1	1	100%	–	0%
2.	Other than Permanent (E)	–	–	0%	–	0%
3.	Total differently abled employees (D + E)	–	–	0%	–	0%
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	1	1	100%	-	0%
5.	Other than permanent (G)	2	2	100%	-	0%
6.	Total differently abled workers (F + G)	3	3	100%	-	0%

As differently abled is personal information, this data is voluntary for employees to report to the Company. The above information is based on the disclosures available with the Company.

21. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	5	50%
Key Management Personnel	3	3	100%

22. Turnover rate for permanent employees and workers:
(Disclose trends for the past 3 years)

	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Permanent Employees	6%	10%	7%	8%	11%	8%	7%	10%	8%
Permanent Workers	3%	4%	4%	6%	8%	6%	5%	9%	6%

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	**Name of the holding/ subsidiary/associate companies/joint ventures (A)**	**Indicate whether holding/ Subsidiary/Associate/Joint Venture**	**% of shares held by listed entity**	**Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)**
1.	Cummins Inc.	Holding Company	NA	No
2.	Valvoline Cummins Private Limited	Joint Venture	50%	
3.	Cummins Generator Technologies India Private Limited	Associate Company with control of more than 20% of total share capital	48.74%	

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

(ii) Turnover (in ₹): 11,949.73 Cr.

(iii) Net worth (in ₹): 7,897.80 Cr.

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	1	1	-	-	-	-
Investors (other than shareholders)				Not Applicable			
Shareholders	Yes**	18*	1	One grievance was received at the end of March 2026, was resolved after the closure of the financial year i.e. FY 2025-26 within the statutory timelines.	19*	2	Two grievances were received at the end of March 2025, were resolved after the closure of the financial year i.e. FY 2024-25 within the statutory timelines.
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	1,086	85		1,325	94	-
Value chain partners	Yes	-	-	-	-	-	-
Other - (please specify)	Yes	-	-	-	-	-	-

*The Company had received a total of 18 and 19 grievances from shareholders pursuant to Regulation 13 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial years 2025-26 and 2024-25, respectively.

**The Mechanism for grievance redressal is mentioned in brief under general shareholder information in Corporate Governance Report, which forms part of Annual Report.

26. Overview of the entity's material responsible business conduct issues – any changes:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate action – product GHG emissions	R	The Company is in the business of manufacturing and selling mainly fossil fuel-based products. Climate change and associated emission requirements are a strategic risk, which, if not managed appropriately, can affect the Company's operations and profitability.	The Company is committed to reducing its GHG emissions through innovative products that will reduce the emission and its carbon footprint. In addition, the Company is also working on reducing emissions in its facilities.	Negative
2	Cybersecurity – data and products	R	There is an overall increase in cyber-attacks and various forms of electronic fraud as the world becomes increasingly digitally connected	The Company is committed to protecting all its data and information which is required to continue its business, protect all computer systems and have continued operations. The Company takes a holistic approach that includes an extensive assessment of its products and computer systems, creating awareness amongst its employees and other stakeholders	Negative
3	Product innovation and emission compliance	O	Access to innovative technologies and products that have a lower carbon footprint and comply with all applicable emission norms.	NA	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Human capital management	O	The Company has a highly skilled and talented workforce with strong subject-matter expertise, supported by world-class engineering, testing, and manufacturing infrastructure, enabling continuous innovation and driving customer success.	NA	Positive
5	Sustainable water supplies	O	The Company continues to remain focused on natural resources like water and is net water neutral for its manufacturing units.	NA	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place toward adopting the NGRBC Principles and Core Elements.

Disclosure Questions			P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes											
1.	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y*	Y	Y	Y*	Y	Y	Y	Y*
	b.	Has the policy been approved by the Board? (Yes/No)	Y	N	Y	Y	Y	Y	N	Y	Y
	c.	Web Link of the Policies, if available	**P1 – Vigil Mechanism Policy** https://www.cummins.com/en-in/en/in/investors/india-corporate-governance **Ethics Mechanism** https://secure.ethicspoint.com/domain/media/en/gui/13176/index.html **Anti-bribery Policy** https://www.cummins.com/en/in/investors/india-corporate-governance **P1 and P2 - Code of Business Conduct** https://www.cummins.com/sites/default/files/india/Legal/code-business-conduct.pdf **P2 – Supplier Code of Conduct** https://supplier.cummins.com/sites/supplier-portal/files/SiteCollectionDocuments/Supplier%20Code%20of%20Conduct/Supplier_Code_of_Conduct.pdf **P3 and P5 – Human Rights Policy** https://www.cummins.com/en/in/investors/india-corporate-governance **P4, P6 and P8 – Corporate Social Responsibility Policy** https://www.cummins.com/sites/default/files/india/Legal/cil_csr-policy_updated.pdf **P6 - HSE Policy** https://www.cummins.com/en/in/investors/india-corporate-governance **P9 -Data Privacy Policy** https://www.cummins.com/en/in/investors/india-corporate-governance **Corporate Product Safety Policy** https://www.cummins.com/en/in/investors/india-corporate-governance								
2.		Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.		Do the enlisted policies extend to your value-chain partners? (Yes/No)	Y	Y	Y	N	Y	N	N	N	Y

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
4. Name of the national and international codes certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 14001:2015 for Environment Management System ISO 45001:2018 for Occupational Health and Safety ISO 50001:2018 for Energy Management System ISO 9001:2015 for Quality Management System								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	**P2 –** Achieve zero waste growth and minimize single-use plastics in our facilities and operations by 2030 with 2018 as the baseline **P3 –** Achieve Gender Diversity of 50% in the permanent employee category by 2040 **P6 –** 1. Achieve zero waste growth and minimize single-use plastics in our facilities and operations by 2030 with 2018 as the baseline 2. Reduce absolute Greenhouse Gas (GHG) emissions from facilities and operations by 50% by 2030 **P8 –** 1. Achieve 25% representation from candidates in aspirational districts through the education assistance program by FY 2029-30 2. Cover 10 new villages every year in aspirational districts by FY 2029-30 3. Continue to equip 5,000 students every year on life and employability skills by FY 2029-30								
6. Performance of the entity against specific commitments, goals and targets along-with reasons in case the same are not met	The Company is at 29% diversity representation in the permanent employee category and is on track to meet it's 2040 target of 50% diversity in this category. The Company is at 32% in it's educational assistance to students from aspirational districts as the growth in number of applicants from aspirational districts is lesser than the growth in total applicants. The Company has achieved it's target of doubling it's outreach in the aspirational districts. The Company started with 7 villages in FY 2022-23 and by FY 2025-26, has been able to support 33 villages. The Company has multiple initiatives in progress to reduce waste and GHG emissions from it's facilities and operations and is on track to achieve it's environmental goals.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Governance, leadership and oversight									

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

   At Cummins India Limited, we are driven by a singular purpose of making people's lives better by powering a more prosperous world. As India advances toward a low-carbon future, we continue our journey of delivering strong performance while creating long-term value.

   India stands at a pivotal moment of growth, with expanding infrastructure, industrial progress and rising energy demand. As this momentum builds, so does the responsibility to ensure that growth is efficient, inclusive and responsible. At Cummins India Limited, we see this as an opportunity to contribute meaningfully to India's energy transition.

   Sustainability is integral to how we operate and grow. Anchored in climate action, we support our customers in their transition to cleaner, smarter and more efficient power solutions.

   By combining deep engineering expertise with strong manufacturing and supply chain capabilities, along with disciplined execution, we are reimagining energy through innovation and delivering solutions at scale, translating innovation into real-world impact across the sectors we serve.

   Our growth is guided by strong governance, ethical practices and a focus on creating measurable impact for our communities and the environment. People remain at the heart of this journey. Grounded in our core values of Integrity, Caring, Excellence and Teamwork, we foster a workplace where Diversity, Equity, Inclusion and Culture (DEIC) are embedded in everyday actions.

   As we look ahead, we remain focused on building capabilities, strengthening partnerships and delivering long-term value for our customers, communities and stakeholders.

8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Ms. Shveta Arya, Managing Director (MD) and oversighted by the Corporate Social Responsibility and Sustainability Committee. w.e.f. February 4, 2026 Audit and Compliance Committee till February 3, 2026.
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, Corporate Social Responsibility and Sustainability Committee w.e.f. February 4, 2026. Audit and Compliance Committee till February 3, 2026.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee	Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)
Performance against above policies and follow up action	Review undertaken by 'Any other Committee' (internal review groups formed by the management)	Need based review or review driven by statutory requirements/amendments depending on the nature of the policy
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Review undertaken by 'Any other Committee' (internal review groups formed by the management)	Need based review or quarterly review depending on the nature of the policy

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
	N	N	N	N	N	Y	N	N	N
	Yes. The Company's facilities are evaluated by SGS India Private Limited and Bureau Veritas periodically for ISO certification.								

*The policies relate to safe and sustainable products, Human Rights and Customer Relations and are embedded in the Company's Vision, Mission, Values, Strategic Principles, the Cummins Operating System and the Company's Code of Conduct.

Policies specific to Cummins India Limited, are brought to the Cummins India Limited's Board of Directors and approved, while some others are more procedural in nature and implemented directly.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy reasons to be stated:

Questions	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
The entity does not consider the principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may voluntarily be disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Ethical behavior at the Company is driven by the Code of Business Conduct, which guides employees on a wide range of matters, from how to treat colleagues at work to preventing sexual harassment, avoiding conflicts of interest, upholding human rights, anti-bribery, and much more. New employees are introduced to the code during onboarding and are regularly assigned related training courses over the course of their time at the Company.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	5	• Health and Safety updates as part of business updates • Briefing on BRSR Core including reasonable assurance and updates • Session with expert on Perspectives on High-Performance Boards • Session on Related party transactions and its updates	100%
Key Managerial Personnel	4	• Code of Business Conduct • Treatment of Each Other • Conflicts of Interest • Right Environment Every Time	100%
Employees other than BODs and KMPs	4	• Code of Business Conduct • Treatment of Each Other • Conflicts of Interest • Right Environment Every Time	100%
Workers	4	• Code of Business Conduct • Treatment of Each Other • Conflicts of Interest • Right Environment Every Time	100%

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR) (Expected financial implication, if any due to compensation, penalty, etc.)	Brief of the Case	Has an Appeal been preferred? (Yes/ No)
Penalty/Fine					
Settlement			None		
Compounding fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment		None		

*Disclosure is made on the basis of the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the Company's website.

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

   Yes.

   The Company's Anti-Bribery and Prohibited Payments Policy applies to all employees as well as third-party agents acting on its behalf. The policy underscores the prohibition of bribery in any form during the course of business and reinforces the need to adhere to all applicable laws and regulations.
   The policy is available under https://www.cummins.com/en/in/investors/india-corporate-governance.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors		
KMPs		
Employees	None	
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of Complaints received in relation to issues of Conflict of Interest of the Directors	None	NA	None	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases and conflicts of interest.

Not applicable

8. Number of days of accounts payables ((Accounts payable*365)/Cost of goods/services procured) in the following format:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	69	75

Average Accounts Payable (including capital creditors) are considered for the purpose of this ratio. Cost of goods/services purchased includes all types of procurement including capex procurement as mentioned in the Industry Standards on reporting of BRSR Core released by SEBI.

Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicator in the table above for FY 2025-26.

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances and investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	1%	1%
	b. Number of trading houses where purchases are made from	23	16
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	95%	98%

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	16%	16%
	b. Number of dealers/distributors to whom sales are made	179	165
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/distributors	72%	72%
Share of RPTs In	a. Purchases (Purchases with related parties/Total Purchases)	52%	51%
	b. Sales (Sales to related parties/ Total Sales)	17%	18%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)*	0%	0%
	d. Investments (Investments in related parties/Total Investments made)*	2%	3%

* Basis balances as at year ended

Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicator in the table above for FY 2025-26.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
2 (For Suppliers)	ESG and BRSR awareness	Suppliers covering 76% of total spend of FY 2025-26

2. Does the entity have processes in place to avoid/manage conflict of interest involving members of the Board? **(Yes/No)** If yes, provide details of the same.

   Yes.

   The Company's Board of Directors follows a separate Code of Conduct. In accordance with applicable laws, directors are required to submit annual disclosures of their interests to ensure regulatory compliance, along with voluntary updates for any interim changes. These disclosures are reviewed and noted by the Board in subsequent meetings.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

The Company is committed to reducing its carbon footprint and doing more to use less of the world's natural resources. The three focus areas are: reducing greenhouse gas (GHG) and air emissions; using natural resources in the most sustainable way possible; helping communities address their major environmental challenges.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	58%	0%	Revenue expenditure on CPCB IV+ Genset Program which impacts emission norms
Capex	8%	19%	Capex spend includes investments made in projects for energy efficient processes, enhancing product development facility for current and new technologies, etc.

The Company, through its R&D and capex investments, is focused on moving towards a cleaner, greener planet by reducing its carbon footprint, both through the products it makes and how it makes them.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   Yes.

   The Company has procedures in place for sustainable sourcing.

   b. If yes, what percentage of inputs were sourced sustainably?

   70% of the total spend is through sustainable sourcing.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   The Company operates a remanufacturing facility in Phaltan, Maharashtra. The remanufacturing process comprises five key stages: disassembly, cleaning, inspection, salvage or reuse, and final assembly and testing.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Yes.

   The Company is subject to Extended Producer Responsibility (EPR) in its capacities as a Plastic (Brand Owner and Importer) and a Battery (Producer). It meets its defined EPR obligations by procuring the required credits and filing annual returns in accordance with the applicable regulations for the relevant categories.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or its services (for services industry)? If yes, provide details in the following format?

NIC code	Name of Product/ service	% of Total Turnover contributed	Boundary for which the life cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in Public domain (Yes/No). If yes, provide the web-link
281	Engine	19%	Cradle to Gate	No	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
No significant social or environmental concerns/risks were identified.		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
	-	-

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste		-			-	
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	-

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

The Company remains committed to employee well-being by promoting a diverse and inclusive work environment, encouraging participation of employees and their families in wellness initiatives, and strengthening talent management practices across performance, compensation, capability development, and learning opportunities through education assistance programs.

To support this commitment, the Company has implemented several initiatives, including:

- Regular health check-ups and counselling by qualified medical professionals
- Confidential support services provided by independent experts to help employees address mental health and personal challenges
- Life insurance coverage for employees
- Health insurance benefits for employees and their families
- Maternity and paternity benefits
- Employee Resource Groups (ERGs) focusing on diversity aspects such as gender, generation, culture, persons with disabilities (PwD), and LGBTQ+ inclusion
- Crèche facilities
- A structured occupational health and safety management system

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	933	933	100%	933	100%	NA	NA	933	100%	933	100%
Female	376	376	100%	376	100%	376	100%	NA	NA	376	100%
Total	1,309	1,309	100%	1,309	100%	376	29%	933	71%	1,309	100%
Other than Permanent employees											
Male	27	27	100%	27	100%	NA	NA	–	–	–	–
Female	6	6	100%	6	100%	6	100%	NA	NA	–	–
Total	33	33	100%	33	100%	6	18%	–	–	–	–

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	1,448	1,448	100%	1,448	100%	NA	NA	1,448	100%	1,448	100%
Female	331	331	100%	331	100%	331	100%	NA	NA	331	100%
Total	1,779	1,779	100%	1,779	100%	331	19%	1,448	81%	1,779	100%
Other than Permanent workers											
Male	1,808	1,808	100%	1,808	100%	NA	NA	-	-	-	-
Female	249	249	100%	249	100%	249	100%	NA	NA	-	-
Total	2,057	2,057	100%	2,057	100%	249	12%	-	-	-	-

c. Spending on measures toward well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the Company*	0.22%	0.23%

*includes spend toward well-being of permanent employees and workers. Spend toward well-being of other than permanent employees and workers are not ascertainable.

Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicator in the table above for FY 2025-26.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

The Company's employees and workers are covered for retiral benefits as per eligibility defined under the applicable laws. The Company also creates awareness of schemes such as National Pension Scheme (NPS) which the employees can avail. Superannuation benefit is now provided as a voluntary benefit to employees starting July 2023.

Benefits	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Superannuation*	100%	100%	Yes	100%	100%	Yes
NPS*	100%	100%	Yes	100%	100%	Yes

*Superannuation and NPS benefits are offered to 100% employees and workers, employee can voluntarily opt for the same. Corresponding contribution is deducted and deposited in case of 100% employees who have opted for the benefit.

3. Accessibility of workplaces:

   Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

   Yes.

   The Company continues to take steps including modernization of its older facilities to improve accessibility to its facilities for differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

   Yes.

   The Equal Opportunity policy is available to the internal stakeholders on the intranet.

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work Rate	Retention rate
Male	100%	82%	100%	94%
Female	100%	94%	100%	94%
Total	100%	87%	100%	94%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No *(If Yes, then give details of the mechanism in brief)*
Permanent Workers	Yes.
Other than Permanent Workers	All employees and workers of the Company, whether permanent or otherwise, can approach their Direct Managers or HR Business Partners as the primary channels for grievance redressal, in line with Company policy. The Company has established communication channels, infrastructure, and policies that enable employees and workers to raise concerns effectively. Whistle-blowers can make protected disclosures through multiple avenues, including email, a dedicated telephone line, or written communication addressed to the Managing Director or the Chairperson of the Audit and Compliance Committee, as well as through the Ethics helpline or webpage available on the Company's website. In accordance with applicable laws, the Company has implemented a Whistle Blower Policy supported by a Non-Retaliation Policy, which provides safeguards to protect whistle-blowers from any form of retaliation
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total Employees/ Workers in Respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1,309	-	0%	1,254	-	0%
- Male	933	-	0%	911	-	0%
- Female	376	-	0%	343	-	0%
Total Permanent Workers	1,779	456	26%	1,771	496	28%
- Male	1,448	456	31%	1,460	496	34%
- Female	331	-	0%	311	-	0%

8. Details of training given to employees and workers:

The trainings on health and safety measures and skill upgradation are gender agnostic and available to both male and female employees/workers.

Category	FY 2025-26					FY 2024-25				
	Current Financial Year					Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	933	757	81%	897	96%	911	292	32%	828	91%
Female	376	330	88%	346	92%	343	71	21%	307	90%
Total	1,309	1,087	83%	1,243	95%	1,254	363	29%	1,135	91%
Workers										
Male	1,448	806	56%	582	40%	1,460	653	45%	1,177	81%
Female	331	254	77%	197	60%	311	149	48%	235	76%
Total	1,779	1,060	60%	779	44%	1,771	802	45%	1,412	80%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	933	933	100%	911	911	100%
Female	376	376	100%	343	343	100%
Total	1,309	1,309	100%	1,254	1,254	100%
Workers						
Male	1,448	1,448	100%	1,460	1,460	100%
Female	331	331	100%	311	311	100%
Total	1,779	1,779	100%	1,771	1,771	100%

10. Health and safety management system:

    a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/No)**. If yes, the coverage such system?

    Yes

    The Company has deployed an enterprise-wide occupational health and safety management system (HSEMS) aligned to ISO 45001.

    b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

    The Company has implemented a standardized, tool-based Hazard Elimination Aspect Risk Transformation (H.E.A.R.T) process across all facilities to evaluate work-related hazards and risks for both routine and non-routine activities, in line with ISO 45001:2018. This is complemented by initiatives including Job Safety Assessments, HSE internal audits, "Find it, Fix it," and "Active Caring and Visual Literacy." These processes enable facilities to identify and manage critical risks proactively, improving health and safety outcomes for employees and visitors.

    c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

    Yes.

    The Company has implemented structured processes—including TBWS (Team Based Work System) forums, layered process audits, safety suggestions, ergonomics early reporting, and safety observation tours—to enable employees and workers to identify and report hazards. Further, safety committees are active at applicable manufacturing locations to evaluate and act on improvement opportunities raised by employee representatives.

    d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? **(Yes/No)**

    Yes.

    The Company ensures access to essential healthcare services across its facilities, including first aid resources, trained responders, independent counselling services for mental health and related concerns, medical insurance, and qualified medical professionals at designated locations.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.59	0.40
	Workers	0.25	0.62
Total recordable work-related injuries	Employees	11	1
	Workers	4	11
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

*Including in the contract workforce

Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above for FY 2025-26 other than on 'Total recordable work-related injuries'.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

The Company has established an enterprise-wide Health, Safety and Environment (HSE) management system aligned with ISO 14001 and ISO 45001, structured around the Plan-Do-Check-Act (PDCA) cycle. In the planning phase, facilities adopt HSE policies supported by tools such as Hazard Elimination Aspect Risk Assessment (H.E.A.R.T). Implementation is driven through facility-specific operating procedures. Performance is monitored through continuous self-assessment, enabling corrective and preventive actions (CAPA) via defined processes and IT systems. Ongoing improvement is ensured through formal management review mechanisms.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	5,573	351	-	2,718	173	-
Health & Safety	112	37	-	341	91	-

A structured complaint collection process was introduced in FY 2023–24, offering employees and workers various channels to report concerns, including email, phone, site registers, and one-on-one interactions. This is complemented by group platforms such as employee committees, safety committees, staff meetings, TBWS forums, and facilitated discussions by leaders or HR. Together, these mechanisms support effective issue identification and resolution, with ongoing communication for unresolved matters and formal closure upon completion of corrective actions.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

The Company routinely assesses it's plants and offices on key workplace parameters like working conditions, health and safety practices, prevention of child and involuntary labour, sexual harassment, non discrimination, minimum wages etc., through structured audits and reviews. The Company conducts periodic trainings in these areas to increase awareness and reinforce expectations. Employees and stakeholders are encouraged to report concerns or suspected violations through the Cummins Ethics Help Line, a secure and confidential reporting channel.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health and safety practices and working conditions.

No significant risks or concerns were identified during the assessments of health and safety practices and working conditions during the year.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes.

The Company extends Life Insurance or equivalent compensatory package in the unfortunate event of death of an employee or a worker.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company reinforces compliance expectations through engagement with its value chain partners. The Supplier Code of Conduct requires vendors to adhere to all applicable laws and remain informed of relevant regulatory changes. Additionally, the Company conducts an annual process to obtain confirmation from suppliers regarding compliance with statutory obligations.

3. Provide the number of employees/workers having suffered high consequence work related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? **(Yes/No)**

   Yes.

   Where employment is terminated for business reasons or through a Voluntary Retirement Plan (VRP), the Company extends support to impacted individuals through outplacement services, mental wellness programs, and compensation as per applicable internal policies.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Suppliers – 57% of total spend
Working conditions	Suppliers – 57% of total spend

   These assessments are conducted to cover 100% of suppliers over a period of three years.

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   Under the Eyes Open Audit program, all suppliers are assessed over a three-year cycle. No concerns were noted in supplier audits completed during FY 2025–26.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   The Company identifies key stakeholders through structured consultations with functional and business heads, in conjunction with its directors.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement Community Meetings, Notice Board, Website Other)	Frequency of engagement (Annually/Half yearly/Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors (shareholders/ Analysts)	No	• Press releases and media interactions • Emails, SMS, newspaper publications • AGM/EGM General meetings, meeting notices • Stock exchange filings • Analyst calls • Updates on the Company's website	• Annually through annual report • Quarterly through financial results, analyst call; exchange notifications; • Continuous engagement: Investors page on website	• To explain the financial results and/or other updates • To answer queries of investors/analysts on operations of the Company • To understand shareholder expectations
Employees and Workers (and their families)	No	• Emails • Notice boards • 1:1 meetings, plant meetings, townhalls • Project and operations reviews • Family days • Internal website • Social media webpages	• Event based/ Continuous engagement	• To provide operational and strategic updates • Career management • Learning opportunities • To build a safety culture and inculcating safe work practices among employees • To improve diversity and inclusion; employee engagement
Suppliers (including consultants)	No	• Individual meetings, conferences • Emails, telephone/ conference calls • Supplier visits	• Event based/ Continuous engagement	• To align on values, strategy and operational priorities • To resolve operational issues

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement Community Meetings, Notice Board, Website Other)	Frequency of engagement (Annually/Half yearly/Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Meetings and conferences • Project related discussions, project management reviews • Customer visits • Sponsored events • Mailers; newsletters; brochures • Social media webpages • Surveys	• Event based/ Continuous engagement Periodic customer satisfaction surveys	• To understand business challenges • To identify improvement opportunities for the Company
Communities (Identified as part of the CSR initiatives)	Yes	• Community Meetings, Field Visits	• Calendarized, ongoing engagement with periodic and pre-determined frequency which is done directly and through implementing organizations	• To identify community needs through participatory consultations with implementing organizations • To review the progress of the program with the communities and address any concerns that the community may have with regards to the program implementation • To address concerns received through the formal grievance redressal mechanism • To educate the communities periodically through review meetings

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement Community Meetings, Notice Board, Website Other)	Frequency of engagement (Annually/Half yearly/Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government bodies (Center, State, Local)	No	• Request For Information/ Request For Proposal/ presentations • Project review meetings • Surveys • Consultative sessions • Field visits • Conferences and seminars • Press releases and media interactions	• Event based/ Continuous engagement	• To understand areas for sustainable development • To communicate the Company's performance and strategy • To share and contribute to thought leadership and insights into public and business concerns • To discuss the Company's response to business/ community issues as a corporate citizen
Academia	No	• Emails • Meetings • Project Related Discussions	• Event based	• MOU signed to improve engagement between industry and academia • To establish events to support academic institutes • To research projects jointly for mutual benefit

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   Stakeholder engagement and consultation are delegated by the Board and governed by the Company's operating policies. Material feedback from such engagements is periodically presented to the Board through Board or Committee meetings.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Yes.

   The Company engages stakeholders on key material issues aligned with its strategic objectives through multiple channels, including notifications on emission norms and Participatory Rural Appraisals to guide CSR project selection.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

   The Company focuses on empowering vulnerable and marginalized groups through targeted interventions such as women's training and livelihood programs, healthcare access, and self-help groups, alongside educational support through scholarships and vocational training. It also works with partner organizations and drives initiatives in aspirational districts to promote holistic growth.

PRINCIPLE 5

Businesses should respect and promote human rights

The Company supports human rights and has a zero-tolerance policy on bonded, child or forced labor. It endeavors to provide equal opportunity to its employees while discouraging discrimination, harassment and retaliation. Online and classroom trainings on relevant topics related to Human Rights are conducted for all employees and workers.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1,309	1,309	100%	1,254	1,254	100%
Other than permanent	33	33	100%	45	45	100%
Total Employees	1,342	1,342	100%	1,299	1,299	100%
Workers						
Permanent	1,779	1,779	100%	1,771	1,771	100%
Other than permanent	2,057	2,057	100%	2,159	2,159	100%
Total Workers	3,836	3,836	100%	3,930	3,930	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	Total (A)	FY 2025-26 Current Financial Year				Total (D)	FY 2024-25 Previous Financial Year			
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1,309	-	-	1,309	100%	1,254	-	-	1,254	100%
- Male	933	-	-	933	100%	911	-	-	911	100%
- Female	376	-	-	376	100%	343	-	-	343	100%
Other than Permanent	33	-	-	33	100%	45	-	-	45	100%
- Male	27	-	-	27	100%	37	-	-	37	100%
- Female	6	-	-	6	100%	8	-	-	8	100%
Workers										
Permanent	1,779	-	-	1,779	100%	1,771	-	-	1,771	100%
- Male	1,448	-	-	1,448	100%	1,460	-	-	1,460	100%
- Female	331	-	-	331	100%	311	-	-	311	100%
Other than Permanent	2,057	1,640	80%	417	20%	2,159	1,713	79%	446	21%
- Male	1,808	1,453	80%	355	20%	1,959	1,566	80%	393	20%
- Female	249	187	75%	62	25%	200	147	74%	53	26%

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)	5	-#	6	2,109,761#
Key Managerial Personnel (KMP)	1	3,458,479	3	18,701,798#
Employees other than BoD and KMP	933	3,627,690	341	2,629,866
Workers	1,448	1,000,367	341	791,291

The median remuneration of BoD and KMP is not an annualized amount.

Notes:

- The remuneration of Non-Executive (other than Independent) Directors is Nil.
- Remuneration details of BoD and KMPs are published as part of Annexure 10 to Directors Report.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Gross wages paid to females as % of total wages	21%	20%

Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicator in the table above for FY 2025-26.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/No)**

Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company enables reporting of human rights and ethics concerns through a structured grievance redressal mechanism. Employees can approach managers or HR, or use anonymous channels such as a monitored voicemail box, the online platform (ethics.cummins.com), a toll-free number, and a QR code.

6. Number of Complaints on the following made by employees and workers:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	3	1		1	-	
Discrimination at workplace	6	-		-	-	
Child Labor	-	-		-	-	
Forced Labor/Involuntary Labor	-	-		-	-	
Wages	-	-		-	-	
Other human rights related issues	-	-		-	-	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	1
Complaints on POSH as a % of female employees/workers	0.22%	0.12%
Complaints on POSH upheld	1	1

Included here are written complaints which are not anonymous, in line with the requirements for investigation per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the FY 2025-26, two cases have been reported, one case has been upheld (substantiated) and remaining one is work in progress as on 31st Mar'26.

Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicator in the table above for FY 2025-26.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company prohibits all forms of retaliation through its non-retaliation policy, protecting employees who report concerns or violations related to the Code of Business Conduct, Company policies, including Treatment of Each Other at Work, or the law.

9. Do human rights requirements form part of your business agreements and contracts? **(Yes/No)**

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others- please specify	Nil

The Company monitors compliance with applicable human rights laws and policies through structured audits and reviews across plants and offices, covering areas such as working conditions, health and safety, prevention of child and forced labour, non-discrimination, sexual harassment, and wages. It also conducts regular training and encourages reporting through the Cummins Ethics Help Line, a secure and confidential channel.

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above:

No significant risks/concerns were identified through the assessments.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/ complaints.

   No significant concerns have been identified which necessitated introduction of new processes/modification of existing processes during FY 2025-26.

2. Details of the scope and coverage of any Human rights due diligence conducted.

   No separate human rights due-diligence was conducted besides the internal assessments during FY 2025-26.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   Yes.

   The Company continues to take steps including modernisation of its older facilities to improve accessibility to its facilities for differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Suppliers – 57% of total Spend
Discrimination at workplace	Suppliers – 57% of total Spend
Child Labor	Suppliers – 57% of total Spend
Forced/involuntary labor	Suppliers – 57% of total Spend
Wages	Nil
Others- please specify	None

   These assessments are conducted to cover 100% of suppliers over a period of three years.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

   No significant risks/concerns were identified for those areas which were assessed during the year through various assessments.

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A) GJ	19,534	21,235
Total fuel consumption (B)	1,084	–
Energy consumption Through other sources (C)	–	–
Total energy consumed from renewable sources (A+B+C)	20,618	21,235
From non-renewable sources		
Total electricity consumption (D) GJ	95,123	92,124
Total fuel consumption (E) GJ	77,471	87,453
Energy consumption Through other sources (F) GJ	–	–
Total energy consumed from non-renewable sources (D+E+F)	172,594	179,577
Total energy consumed (A+B+C+D+E+F)	193,212	200,812
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations) (GJ/INR)	0.0000016	0.0000020
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP) (GJ/INR adjusted for PPP)	0.0000329	0.0000408
Energy intensity in terms of physical Output (GJ per unit)	1.3060	1.4538
Energy intensity (optional) – the relevant metric may be selected by the entity		
a. Intensity per manhours worked	0.02	0.02
b. Intensity per Facility Size GJ/[sq.m]	0.36	0.36
c. Intensity GJ per Head count	37.31	38.40

Percentage of energy consumed through renewable sources with respect to the total energy consumed is 10.67% in FY 2025-26 as compared to 10.57% in FY 2024-25.

Intensity in terms of physical output of products is computed by considering number of equivalent units manufactured/assembled by the Company.

The Purchasing Power Parity (PPP) factor considered is 20.34 as per IMF (FY 2024-25: 20.66 as per OECD).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, reasonable assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the indicators in the table above, other than the optional indicators.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The PAT scheme of the Government of India is not applicable to the Company.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	2,241	2,203
(ii) Groundwater	67,855	55,688
(iii) Third party water	109,532	120,026
(iv) Seawater/desalinated water	-	-
(v) Others	1,967	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	181,595	177,917
Total volume of water consumption (in kilolitres)	179,627	176,041
Water intensity per rupee of turnover (Total water consumption/Revenue from operations) (KL/INR)	0.0000015	0.0000017
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP) (KL/INR adjusted for PPP)	0.0000306	0.0000358
Water intensity in terms of physical Output (KL per unit)	1.2142	1.2745
Water intensity (optional) – the relevant metric may be selected by the Entity		
a. Intensity KL per manhours worked	0.02	0.02
b. Intensity KL per Facility Size/[sq.m]	0.34	0.32
c. Intensity KL per Head count	34.69	33.67

Surface water reported in the table includes harvested rainwater.

Intensity in terms of physical output of products is computed by considering number of equivalent units manufactured/assembled by the Company.

The Purchasing Power Parity (PPP) factor considered is 20.34 (FY 2024-25: 20.66 as per OECD).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, reasonable assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the indicators in the table above, other than the optional indicators.

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	–	–
- No treatment	–	–
- With treatment – please specify level of Treatment	–	–
(ii) To Groundwater	–	–
- No treatment	93	103
- With treatment – please specify level of Treatment	–	–
(iii) To Seawater		–
- No treatment	–	–
- With treatment – please specify level of Treatment	–	–
(iv) Sent to third-parties	–	–
- No treatment	1,876	1,773
- With treatment – please specify level of Treatment	–	–
(v) Others	–	–
- No treatment		–
- With treatment – please specify level of Treatment	–	–
Total water discharged (in kilolitres)	1,969	1,876

Domestic water discharge for sites where actual data is not available has been estimated as 80% of the water withdrawal based on CPCB report dated September 4, 2013.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, reasonable assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the indicators in the table above, other than the optional indicators.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation

Yes.

The Company has installed effluent treatment plants across multiple manufacturing sites, with 100% of treated water recycled at facilities with Zero Liquid Discharge systems. All sewage is treated in in-house plants, and the recycled water is used for irrigation, HVAC, and flushing.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	Kg	140,777	152,111
Sox	Kg	35	38
Particulate matter (PM)	Kg	9,882	10,676
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	Kg	15,681	18,599
Hazardous air pollutants (HAP)	NA	NA	NA
Others–please specify	NA	NA	NA

Sox emission calculations for FY 2024–25 have been aligned for consistency with FY 2025–26 reporting.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	6,458	7,541
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	18,751	18,548
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations) (MT CO2e/INR)		0.00000021	0.00000026
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP) (MT CO2e/ INR adjusted for PPP)		0.0000043	0.0000053
Total Scope 1 and Scope 2 emission intensity in terms of physical output (MT CO2e per unit)		0.1704	0.1889
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			
a. Intensity per manhours worked		0.0024	0.0025
b. Intensity per Facility Size/[sq.m]		0.05	0.05
C. Intensity per Head count		4.87	4.99

The Company has reported GHG emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol).

Scope 1 emissions emission factors are as per Intergovernmental Panel on Climate Change (IPCC) sixth Assessment Report.

The biogenic CO2 emissions from combustion of biodiesel is 76.74 MT (FY 2024-25: NIL).

Scope 2 emissions (location-based) are reported with grid emission factor from Version 21 of the Central Electrical Authority's (CEA) CO2 database.

Intensity in terms of physical output of products is computed by considering number of equivalent units manufactured/assembled by the Company.

The Purchasing Power Parity (PPP) factor considered is 20.34. (FY 2024-25: 20.66 as per OECD).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, reasonable assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the indicators in the table above, other than the optional indicators.

8. Does the entity have any project related to reducing Greenhouse Gas emission? If yes, then provide details.

Yes.

The Company undertakes a range of greenhouse gas reduction initiatives, including the development of digitized energy monitoring systems and dashboards, replacement of legacy manufacturing equipment with more energy-efficient alternatives, increased adoption of solar power across sites, and integration of HSE considerations into design processes. These efforts are further supported by initiatives focused on improving HVAC and lighting efficiency, reducing and recycling waste, and lowering water consumption. The Company also promotes employee awareness to help identify additional opportunities for reducing greenhouse gas emissions.

9. Provide details related to waste management by the entity, in the following format:

Parameter	**FY 2025-26 (Current Financial Year)**	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	103.93	131.48
E-waste (B)	17.46	34.03
Bio-medical waste (C)	0.03	0.03
Construction and demolition waste (D)	1,989.10	723.10
Battery waste (E)	1.36	6.34
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	406.43	421.77
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	5,278.21	5,399.67
Total (A + B + C + D + E + F + G + H)	7,796.52	6,716.42
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations) (MT/INR)	0.0000001	0.0000001
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP) (MT/INR adjusted for PPP)	0.0000013	0.0000014

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Waste intensity in terms of physical output (MT per unit)	0.0527	0.0486
Waste intensity (optional) - the relevant metric may be selected by the entity		
Manhours	0.0007	0.0006
Facility size/[sq.m]	0.0147	0.0121
Headcount	1.50	1.28
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	5,430.00	6,564.31
(ii) Re-used	1,025.45	-
(iii) Other recovery operations	-	-
Total	6,455.45	6,564.31
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	93.07	118.50
(ii) Landfilling	-	-
(iii) Other disposal operations	232.50	-
Total	325.57	118.50

Intensity in terms of physical output of products is computed by considering number of equivalent units manufactured/assembled by the Company.

The method of disposal of waste is as per the certificates received from respective waste traders/handlers/ aggregators. Where such certificates are not available, the waste generated is assumed to be disposed through 'other disposal operations'.

The Purchasing Power Parity (PPP) factor considered is 20.34.(FY 2024-25: 20.66 as per OECD).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, reasonable assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the indicators in the table above, other than the optional indicators.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company's waste management practices are guided by the principles of reduce, reuse, recycle, and recovery. Under its 'Design for HSE' initiative, efforts are made to address waste at its source. A cross-functional strategy is adopted to reduce waste, involving process redesign, improved segregation systems, active employee participation, and supplier collaboration. The Company continues to make capital investments to strengthen waste reduction and recycling efforts, and has also reduced hazardous waste generation through the use of alternative materials and product substitutions.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The Company has no facilities in ecologically sensitive areas.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
No EIA required for any of the Company's facilities.					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N)? If not, provide details of all such non-compliances, in the following format: Yes

S. No.	Specify the law/ regulation/guidelines which was not complied with	Provide details of the non- compliance	Any fines/penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
Not applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

   For each facility/plant located in areas of water stress, provide the following information:

   (i) Name of the area

   (ii) Nature of operations

   (iii) Water withdrawal, consumption and discharge in the following format:

   The Company does not have any of its facilities located in areas of water stress.

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater/desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed/turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify evel of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company does not have any of its facilities located in areas of water stress and hence independent assessments are not carried out.

2. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 Equivalent	-	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

   The Company has no facilities in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
The company continues to take initiatives to create products with better fuel efficiency, etc.	-	

5. Does the entity have a business continuity and disaster management plan? Give details in words/web link.

   Yes. The Company's governance framework includes a comprehensive Business Continuity Management (BCM) system aligned with international standards such as ISO 22301:2012. The BCM approach focuses on building resilience by identifying potential risks and understanding their impact on business operations, while enabling structured response and recovery planning. This helps protect the Company's interests, stakeholders, and reputation, and supports continuity of value-creating activities. The Company continues to strengthen resilience practices and improve preparedness across its locations to ensure effective response and recovery.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaption measures have been taken by the entity in this regard?

   Not available

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   Not available

8 a. Green credits generated or procured by the entity

8 b. Green credits generated or procured by top ten value chain partners (in terms of value of purchases and sales respectively)

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations:

   The Company is a member of 8 trade and industry chamber/associations.

   b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to:

S.No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	Confederation of Indian Industry (CII)	National
2.	Society of Indian Automobile Manufacturers (SIAM)	National
3.	US-India Strategic Partnership Forum (USISPF)	National
4.	Automotive Research Association of India (ARAI)	National
5.	Indo American Chamber of Commerce	National
6.	Indian Construction Equipment Manufacturers Association	National
7.	Indian Foundation for Quality Management	National
8	Data Security Council of India (DSCI)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
No adverse order has been received by the Company.		

Leadership Indicators

1. Details of public positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/ Others – please specify)	Web Link, if available
-					

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

   No land acquisition activities were undertaken by the Company during the year that required compliance with Social Impact Assessment provisions under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, as amended.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

   The Company enables community members at its facilities to raise grievances through designated representatives or a dedicated email ID. The CSR team, working through the Cummins India Foundation and in collaboration with NGO partners, anchors community engagement and grievance redressal for CSR projects. Important concerns are reviewed at the CSR Committee and Board levels, with subsequent actions taken in line with their guidance. The Company also provides an ethics helpline that allows stakeholders, including local communities, to report concerns anonymously across a range of issues, including ethics and compliance.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Directly sourced from MSMEs/small producers	18%	18%
Directly from within India	86%	88%

Cost of goods/services purchased includes all types of procurement including capex procurement as provided in the Industry Standards on reporting of BRSR Core released by SEBI. Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicator in the table above for FY 2025-26.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Rural	–	–
Semi-urban	9.8%	9.1%
Urban	4.5%	4.5%
Metropolitan	85.7%	86.4%

Place of employment is categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan.

As per the clarification provided in the Industry Standards on reporting of BRSR Core released by SEBI, in addition to the permanent employees, gross wages paid to other than permanent employees/workers have also been considered for both years. Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicator in the table above for FY 2025-26.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative impact identified	Corrective action taken
–	–

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No	State	Aspirational District	Amount spent (in INR)
1	Jharkhand	Ranchi	19,922,796
2	Jharkhand	Khunti	9,500,000
3	Madhya Pradesh	Vidisha	7,077,440
4	Madhya Pradesh	Guna	9,702,804
5	Madhya Pradesh	Damoh	14,797,711
6	Maharashtra	Nandurbar	23,500,000
7	Maharashtra	Dharashiv	22,785,893

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

   No. The Company is impartial in its supplier selection and procurement processes

   (b) From which marginalized/vulnerable groups do you procure?

   The Company is impartial in its supplier selection and procurement processes.

   (c) What percentage of total procurement (by value) does it constitute?

   Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
-				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
No adverse orders received by the Company during the year.		

6. Details of beneficiaries of CSR Projects:

The Company carries out its CSR activities through Cummins India Foundation. The Company focuses on three priority areas: Education, Environment and Equity while also undertaking other strategic projects. Following table depicts the proportion of beneficiaries from various CSR projects and belonging to the vulnerable and marginalized groups.

S.No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
A	**Education**		
1	Nurturing Brilliance	562	26%
2	Technical Education for Communities	1,936	17%
3	Cummins College of Engineering for Women	980	100%
B	**Environment**		
1	Monsoon Resilient Maharashtra	27,170	96%
2	Urban Water Resilience	8,400	0%
3	Zero Waste Communities	237,327	5%
4	Cleaner Air Better Life	15,000	0%
C	**Equity**		
1	Cummins Model village program under Rural Development	90,297	93%
2	Cummins Support to NGOs under Local Community Care	133	100%
3	Phaltan Model Town	14,698	64%
4	Women's Initiatives in India	21,954	89%

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   Customers can engage with the Company through multiple platforms, including a Customer Relationship Management (CRM) mobile application, 24x7 toll-free helpline, email, and periodic meetings.

   The Company follows a structured approach to resolve issues, focusing on timely and effective outcomes, while enabling customers to share real-time feedback on the resolution process. Regular monthly reviews with dealers, sales and service heads, and GOEM teams are held to assess concerns and plan corrective actions. The Company also conducts random Net Promoter Score (NPS) surveys with end users to evaluate customer experience and implement improvements.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%. The Company's product manuals include key disclosures related to safety, operational precautions, and emission certifications for engines and generators. In addition, they provide guidance on recycling and disassembly processes and highlight the importance of complying with applicable regulations.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	Not applicable	-	-	Not applicable
Advertising	-	-		-	-	
Cyber-security	-	-		-	-	
Delivery of essential Services	-	-		-	-	
Restrictive Trade Practices	-	-		-	-	
Unfair Trade Practices	-	-		-	-	
Other	1,086	85		1,325	94	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	No instances of product recall.
Forced recalls	-	

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? **(Yes/No)**. If available, provide a web-link of the policy.

   Yes. The Policies related to cyber security and data privacy are available to the internal stakeholders on the intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

   The Company has not identified any incidents leading to regulatory issues/penalties from cyber security and data privacy of customers during the year.

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches

   b. Percentage of data breaches involving personally identifiable information of customers

   c. Impact, if any, of the data breaches

   There were no incidents of data breach for the Company during FY 2025-26.

   Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the 'Percentage of data breaches involving personally identifiable information of customers above'.

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

   The information related to the products sold and services rendered by the Company are available on the Company website at - https://www.cummins.com/en/in/investors/india-investors-overview

2. Steps taken to inform and educate consumers about safe and re sponsible usage of products and/or services.

   The Company ensures that Operations and Maintenance manuals include comprehensive guidance on the safe and responsible use of products and services. This is complemented by regular training programs and sessions conducted for customers to reinforce safe usage.

3. Mechanism in place to inform consumers of any risk of disruption/discontinuation of essential services.

   The Company has not been classified as an essential service provider under the Essential Services Act.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   No. The Company does not display product information on the product over and above what is mandated as per local laws.

   Yes. The Company conducts periodic customer satisfaction surveys for major products and services.

Independent Practitioner's Reasonable Assurance Report on Identified Sustainability Information in Cummins India Limited's Business Responsibility and Sustainability Report pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Cummins India Limited

We have undertaken to perform a reasonable assurance engagement for Cummins India Limited (the "Company") vide our Engagement Letter dated February 10, 2026, in respect of the agreed Sustainability Information referred in "Identified Sustainability Information" paragraph below (the "Identified Sustainability Information") in accordance with the Criteria stated in the "Criteria" paragraph below. The Identified Sustainability Information is included in the Business Responsibility and Sustainability Report ("BRSR") section in the Annual Report of the Company for the financial year ended March 31, 2026, pursuant to the requirement of Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "LODR Regulations"). This engagement was conducted by a team comprising assurance practitioners and environment experts.

Identified Sustainability Information

The Identified Sustainability Information for the financial year ended March 31, 2026, is summarised in Appendix 1 to this report.

Our reasonable assurance engagement was only with respect to the Identified Sustainability Information included in the BRSR of the Company for the financial year ended March 31, 2026.

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is the "BRSR Core", which is a subset of the BRSR, consisting of a set of Key Performance Indicators ("KPIs")/ metrics under nine Environmental, Social and Governance ("ESG") attributes, as per the format of BRSR Core specified in Annexure 17A read with the format of BRSR and the guidance note given in Annexure 16 and 17, respectively, of the Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, and the 'Industry Standards on Reporting of BRSR Core' issued by the Securities and Exchange Board of India ("SEBI") vide circular SEBI/HO/CFD-PoD-1/P/CIR/2024/177 dated December 20, 2024 (collectively referred to as the "SEBI Circulars").

Management's Responsibilities

The Company's Management is responsible for determining the Reporting Boundary of the BRSR, and for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations including the SEBI Circulars, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, and content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation, and maintenance of internal control relevant to the preparation of the BRSR, and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error. The Management and the Board of Directors of the Company are also responsible for overseeing the Company's compliance with the requirements of LODR Regulations and the SEBI Circulars in relation to the BRSR Core.

Inherent Limitations in preparing the Identified Sustainability Information

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability

between entities. In addition, Greenhouse Gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standard Board for Accountants ("IESBA Code"), which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Price Waterhouse & Co Chartered Accountants LLP (the "Firm") applies Standard on Quality Control 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", the International Standard on Quality Management ("ISQM") 1 "Quality Management for Firms that perform Audits or Reviews of Financials Statements, or Other Assurance or Related Services Engagements" and ISQM 2 "Engagement Quality reviews", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Practitioner's Responsibilities

Our responsibility is to express a reasonable assurance opinion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements ("SSAE") 3000, "Assurance Engagements on Sustainability Information" and the Standard on Assurance Engagements ("SAE") 3410, "Assurance Engagements on Greenhouse Gas Statements", both issued by the Sustainability Reporting Standards Board of the ICAI, and the International Standard on Assurance Engagement ("ISAE") 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and the ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements", both issued by the International Auditing and Assurance Standards Board (collectively referred to as "the Standards").

These Standards require that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information is prepared, in all material respects, in accordance with the Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Sustainability Information.

The procedures we performed were based on our professional judgement, and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures referred above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and / or measurements of the Identified Sustainability Information.
- Made enquiries of Company's management, including the various teams such as Sustainability team, Human Resource team, etc., and those with responsibility for managing the Company's BRSR.

- Obtained an understanding and performed an evaluation of the design of the key systems, processes, and controls for managing, recording and reporting on the Identified Sustainability Information within the standalone reporting boundary (as mentioned in the BRSR). This did not include testing the operating effectiveness of management systems and controls.
- Based on above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures.
- Checked the consolidation for various sites and corporate office within the standalone reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported.
- Performed substantive testing on a sample basis of the Identified Sustainability Information for various sites and corporate office within the standalone reporting boundary (as mentioned in the BRSR) to verify that data had been appropriately measured with underlying documents recorded, collated and reported. This includes assessing the records and performed testing including recalculation of sample data to establish an assurance trail.
- Assessed the level of adherence to the BRSR Core format issued by SEBI and followed by the Company in preparing the BRSR.
- Assessed the BRSR, for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to Identified Sustainability Information and relevant source data/information.
- Where applicable for the Identified Sustainability Information in the BRSR, we have relied on the information in the audited standalone financial statements of the Company for the year ended March 31, 2026 and the underlying books and records.
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the Management in the preparation of the Identified Sustainable Information.
- Obtained written representations from the Company's Management.

Exclusions

Our reasonable assurance scope excludes the following and, therefore, we do not express an opinion on the same:

- Operations of the Company other than the Identified Sustainability Information listed in Appendix 1 to this report.
- Aspects of the BRSR and data/ information (qualitative or quantitative) included in the BRSR other than the Identified Sustainability Information.
- Data and information outside the defined reporting period, i.e., the financial year ended March 31, 2026.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company and testing or assessing any forward-looking assertions and/ or data.

Opinion

Based on the procedures performed and the evidence obtained, the Company's Identified Sustainability Information summarised in Appendix 1 to this report and included in the BRSR for the financial year ended March 31, 2026, are prepared, in all material respects, in accordance with the Criteria specified in the "Criteria" section of our report.

Restriction on Use

Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditor of the Company.

This report has been issued at the request of the Board of Directors of the Company to whom it is addressed, solely to enable them to comply with the requirements of the SEBI Circulars and LODR Regulations, on reporting Company's sustainability performance and activities, and for publishing the same as a part of BRSR forming part of Company's Annual Report, which will be published on the Company's website. Our report should not be used for any other purpose or by any person other than the addressee of our report. Price Waterhouse & Co Chartered Accountants LLP does not accept or assume any liability or any duty of care for any other purpose or to any person other than the Company.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E300009

Hirak Patwa
Partner
Membership Number: 128990
UDIN: 26128990UQMESH3858

Place: Ahmedabad
Date: May 27, 2026

Appendix 1

Identified Sustainability Information (BRSR Core Indicators)

S. No.	Principle/ Indicator Reference*	Attribute	Parameters (KPIs) Assured
1.	Principle 6 – E7	Green-house gas (GHG) footprint	1. Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) 2. Total Scope 2 emissions (Break-up of the GHG (CO2e) into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) 3. GHG Emission Intensity (Scope 1 +2) a) Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP b) Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services
2.	Principle 6 – E3 Principle 6 – E4	Water footprint	1. Total water consumption 2. Water consumption intensity a) Water Intensity per rupee of turnover adjusted for PPP b) Water Intensity in terms of physical output 3. Water Discharge by destination and levels of treatment
3.	Principle 6 – E1	Energy Footprint	1. Total Energy Consumed 2. % of energy consumed from renewable sources 3. Energy intensity a) Energy Intensity per rupee of turnover adjusted for PPP b) Energy Intensity in terms of physical output
4.	Principle 6 – E9	Embracing circularity- details related to waste management by the entity	1. Plastic waste (A) 2. E-waste (B) 3. Bio-medical waste (C) 4. Construction and demolition waste (D) 5. Battery waste (E) 6. Radioactive waste (F) 7. Other Hazardous waste (G) 8. Other Non-hazardous waste generated (H) 9. Total waste generated (A+B + C + D + E + F + G + H) 10. Waste intensity a) Waste Intensity per rupee of turnover adjusted for PPP b) Waste Intensity in terms of physical output 11. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations 12. For each category of waste generated, total waste disposed by nature of disposal method

S. No.	Principle/ Indicator Reference*	Attribute	Parameters (KPIs) Assured
5.	Principle 3 – E1 (c) Principle 3 – E11	Enhancing employee wellbeing and Safety	1. Spending on measures towards well-being of employees and workers- cost incurred as a % of total revenue of the company. 2. Details of safety related incidents for employees and workers (including contract-workforce) a) Number of Permanent Disabilities b) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) c) No. of fatalities
6.	Principle 5 – E3 (b) Principle 5 – E7	Enabling Gender Diversity in Business	1. Gross wages paid to females as a % of wages paid 2. Complaints on POSH a) Total Complaints on Sexual Harassment (POSH) reported. b) Complaints on POSH as a % of female employees / workers c) Complaints on POSH upheld
7.	Principle 8 – E4 Principle 8 – E5	Enabling Inclusive Development	1. Input material sourced from following sources as % of total purchases –Directly sourced from MSMEs/ small producers and directly from within India. 2. Job creation in smaller towns- wages paid to people employed in smaller towns (permanent or non-permanent/on contract) as % of total wage cost
8.	Principle 9 – E7 Principle 1 – E8	Fairness in Engaging with Customers and Suppliers	1. Instances involving loss/ breach of data of customers as a percentage of total data breaches or cyber security events. 2. Number of days of accounts payable
9.	Principle 1 – E9	Open-ness of business	1. Concentration of purchases & sales done with trading houses, dealers, and related parties a) Purchases from trading houses as % of total purchases b) Number of trading houses where purchases are made from c) Purchases from top 10 trading houses as % of total purchases from trading houses d) Sales to dealers / distributors as % of total sales e) Number of dealers / distributors to whom sales are made f) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors 2. Loans and advances & investments with related parties. Share of RPTs (as respective %age) in - Purchases - Sales - Loans & advances - Investments

Notes:

*'E' denotes Essential Indicator

FY 2025-2026

Standalone Financial Statements

along with Audit Report

Independent Auditor's Report

To the Members of Cummins India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Cummins India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition (Refer note 26 and 35 to the standalone financial statements). Revenue from operations for the year ended March 31, 2026, amounted to INR 12,143.19 crores. Revenue is recognised in accordance with the revenue recognition policy described in Note 1A to the standalone financial statements.	Our audit procedures included the following: • Obtained an understanding of the business process, evaluated the design and tested the operating effectiveness of key controls, specific to such customer contracts, including determination of contract price, performance obligations, estimation of contract costs, including management reviews and approvals thereof.

Independent Auditor's Report

Key audit matter	How our audit addressed the key audit matter
Revenue is recognised when (or as) control over promised goods or services is transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The timing of such revenue recognition in the case of sale of goods is when the control over the same is transferred to the customer and in the case of services it is based on satisfaction of performance obligations. The determination of the timing of revenue recognition, whether over time or at a point in time includes management judgement, particularly in determining when control is transferred to the customer. The Company uses a variety of shipment terms with customers, and this has an impact on the timing of revenue recognition. Further, transaction price is generally fixed at inception, and it often includes elements of variable consideration such as discounts and incentives which further impacts revenue recognition. Due to management estimates and judgements involved in determination of the timing of revenue and variable consideration, this is considered as a key audit matter.	• Assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115 "Revenue from Contracts with Customers" • On a sample basis, tested the revenue transactions recorded during the year by verifying the underlying documents to assess whether revenue is recognised appropriately. • Tested, on a sample basis, revenue transactions recorded around the financial year-end date to assess whether revenue is recognised in the correct financial period in which control is transferred. • Tested the contract revenue, determination of performance obligations and determination of transaction price including variable consideration and allocation of transaction price with underlying documents and evaluated management's assessment by reviewing the contractual terms as considered necessary. • Assessed the appropriateness of management's judgements and estimates involved in determination of the timing of revenue recognition and recognition of variable considerations such as discounts and incentives, and verified on a sample basis credits notes issued to the customers. • Examined the journal entries related to revenue recognised during the year based upon specified risk-based criteria.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting

Independent Auditor's Report

principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Independent Auditor's Report

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of audit trail (edit log) maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period April 01, 2025 to May 17, 2025 and the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above and paragraph 15(h)(vi) below.

Independent Auditor's Report

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act to the extent it applies to declaration and payment of dividend. As stated in Note 17 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting, and is in accordance with Section 123 of the Act, to the extent applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. During

Independent Auditor's Report

the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

16. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

UDIN: 26127460ADLUZT9717
Place: Mumbai
Date: May 27, 2026

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the Members of Cummins India Limited on the Standalone Financial Statements as of and for the year ended March 31, 2026.

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Cummins India Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial

Annexure A to Independent Auditor's Report

controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

UDIN: 26127460ADLUZT9717
Place: Mumbai
Date: May 27, 2026

Annexure B to Independent Auditor's Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the Members of Cummins India Limited on the Standalone Financial Statements as of and for the year ended March 31, 2026.

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Notes 2.1 and 3 to the standalone financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements, does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account.

iii. (a) The Company has made investments in one company, thirty-one mutual funds and two bonds during the year (Also refer Note 9 to the standalone financial statements). The Company has not granted loans/ advances in nature of loans or stood guarantee or provided security to any parties during the year.

Annexure B to Independent Auditor's Report

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

The Company has not granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products. We have broadly reviewed the books of account maintained by the Company pursuant to the said requirement, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues, as applicable, with the appropriate authorities. Also, refer Note 36 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) There are no statutory dues of provident fund, employees' state insurance and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2026 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Crore)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Demand on account of corporate tax disallowances	3.10	AY 2006-07	High Court, Mumbai
	Demand on account of corporate tax disallowances	1.19	AY 2015-16	Commissioner of Income-tax (Appeals)
	Demand on account of corporate tax disallowances	12.84	AY 2017-18	Commissioner of Income-tax (Appeals)
	Demand on account of corporate tax disallowances	1.72	AY 2018-19	Assessing Officer
	Demand on account of corporate tax disallowances	32.98	AY 2019-20	Commissioner of Income-tax (Appeals)
	Demand on account of corporate tax disallowances	0.07	AY 2020-21	Commissioner of Income-tax (Appeals)
	Demand on account of transfer pricing adjustments and other corporate tax disallowances	2.69	AY 2021-22	Commissioner of Income-tax (Appeals)

Annexure B to Independent Auditor's Report

Name of the statute	Nature of dues	Amount (₹ in Crore)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Demand on account of transfer pricing adjustments	1.30	AY 2022-23	Income Tax Appellate Tribunal
The Maharashtra Sales Tax on Transfer of property in goods involved in the execution of works Contract (Re-enacted) Act, 1989	Demand on account of Purchase Tax/Works contract Tax and surcharge thereon	1.83	FY 1999-00	High Court, Mumbai
The Central Sales Tax Act, 1956/Bombay Sales Tax Act, 1959 (B.S.T.)/ Maharashtra Value Added Tax Act, 2002	Disallowances of sales tax declaration forms, disallowances of set off and interest thereon, taxation of sales turnover under B.S.T. Act, disallowance of claim of VAT set-off and inter-state sale u/s 3(a) of C.S.T. Act, 1956	5.02 (Net of amount paid under protest of ₹ 0.50)	FY 2006-07 to FY 2008-09	Maharashtra Sales Tax Tribunal, Pune
The West Bengal VAT Act, 2003	Levy of VAT under certain transactions	0.05	FY 2005-06	Joint Commissioner (Appeals) at Asansol
Jharkhand Value Added Tax Act, 2005	Demand on account of sales suppression and difference between road permit value and actual stock transfer value	0.11	FY 2010-11	Joint Commissioner (Appeals) at Ranchi
The Madhya Pradesh VAT Act, 2002	Demand on account of disallowance	2.21	FY 2015-16	Assistant Commercial Tax Officer at Singrauli
The Central Sales Tax Act, 1956	Demand on account of disallowances	0.13	FY 2015-16	Assistant Commercial Tax Officer at Singrauli
The Entry Tax Act, 1976	Demand on account of disallowances	0.35	FY 2015-16	Assistant Commercial Tax Officer at Singrauli
Tamil Nadu Value Added Tax Act, 2006	Disallowance of input tax credit on clearance to SEZ unit	Nil (Net of amount paid under protest of ₹ 1.60)	FY 2009-10 to FY 2014-15	Sales Tax Appellate Tribunal, Chennai
The Central Sales Tax Act, 1956/Bombay Sales Tax Act, 1959 (B.S.T.)/ Maharashtra Value Added Tax Act, 2002	Disallowances of sales tax declaration forms, disallowances of set off and interest thereon, taxation of sales turnover under B.S.T. Act, disallowance of claim of VAT set-off and inter-state sale u/s 3(a) of C.S.T. Act, 1956	Nil (Net of amount paid under protest of ₹ 0.50)	FY 2004-05	Joint Commissioner of Sales Tax, Appeal - 1, Pune
		4.35	FY 2017-18	
Finance Act, 1994	Disallowance of CENVAT credit on input services	1.12	FY 2010-11 to FY 2015-16	CESTAT
		1.28	FY 2014-15	CESTAT
		0.88	FY 2011-12 to FY 2015-16	Commissioner (Appeals)

Annexure B to Independent Auditor's Report

Name of the statute	Nature of dues	Amount (₹ in Crore)	Period to which the amount relates	Forum where the dispute is pending
Customs Act, 1962	Incorrect availment of concessional customs duty benefits	8.90	FY 2017-18 to FY 2021-22	CESTAT
Goods and Service Tax Act, 2017	Availment of excess Input Tax Credit	1.67	FY 2020-21	Superintendent Commissioner
	Demand on zero-rated supply	0.02	FY 2019-20 to FY 2020-21	Appellate Authority
	Penalty for mismatch of address in E-way bill	0.43	FY 2025-26	Assistant Commissioner
	Disallowance of input tax credit claimed and demand of additional output tax liability on GST matters	229.74	FY 2019-20 to FY 2021-22	Additional Commissioner

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate or joint venture. Further, the Company did not have any subsidiary during the year. Accordingly, to this, extent, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its joint venture or associate company. Further, the Company did not have any subsidiary during the year. Accordingly, to this, extent, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

Annexure B to Independent Auditor's Report

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed by us, as statutory auditors, with the Central Government. Further, no such report has been filed by any other auditor appointed by the Company under the Act. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. As explained by the management, there were certain complaints in respect of which investigations are ongoing as on the date of our report and our consideration of the complaints having any bearing on our audit is based on the information furnished to us by the management.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with the directors. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, the additional reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

Annexure B to Independent Auditor's Report

(d) In our opinion, the Group as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025 does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and, accordingly, the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) The Company does not have any amount remaining unspent under sub-section (5) of Section 135 of the Act as at balance sheet date in respect of "other than ongoing projects" of Corporate Social Responsibility. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. (Also, refer Note 42 to the standalone financial statements).

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

UDIN: 26127460ADLUZT9717
Place: Mumbai
Date: May 27, 2026

Balance Sheet as at March 31, 2026

₹ Crore

Particulars	Notes	As at March 31	
		2026	2025
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	**1,320.88**	1,252.51
Capital work-in-progress (including investment property in progress)	2.3	**77.40**	78.16
Right-of-use assets	37	**46.88**	39.80
Investment properties	3	**906.68**	935.15
Intangible assets	2.2	**108.92**	136.20
Intangible assets under development	2.3	**20.31**	6.71
Financial assets			
Investments in a joint venture and an associate	4.1	**25.24**	25.24
Investments	4.2	**2.70**	-
Other non-current financial assets	5	**18.20**	14.55
Income tax assets (net)	6	**0.54**	43.83
Other non-current assets	7	**89.43**	102.92
		2,617.18	**2,635.07**
Current assets			
Inventories	8	**1,168.45**	1,022.24
Financial assets			
Investments	9	**1,548.43**	932.12
Trade receivables	10	**2,754.27**	2,292.48
Cash and cash equivalents	11	**500.01**	234.99
Other bank balances	12	**1,874.06**	2,275.30
Other current financial assets	13	**66.77**	57.82
Other current assets	14	**194.59**	138.77
Assets classified as held for sale	15	**3.60**	16.93
		8,110.18	**6,970.65**
TOTAL		**10,727.36**	**9,605.72**

Balance Sheet as at March 31, 2026

₹ Crore

Particulars	Notes	As at March 31	
		2026	2025
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	**55.44**	55.44
Other equity			
Retained earnings	17	**6,639.73**	5,774.33
Other reserves	17	**1,202.64**	1,188.26
		7,897.81	**7,018.03**
Non-current liabilities			
Financial liabilities			
Lease liabilities	37	**20.03**	20.42
Other non-current financial liabilities	18	**41.80**	53.47
Provisions	19	**208.82**	162.92
Deferred tax liabilities (net)	20	**96.54**	91.26
Other non-current liabilities	21	**22.63**	25.60
		389.82	**353.67**
Current liabilities			
Financial liabilities			
Lease liabilities	37	**16.48**	9.24
Trade payables			
Total outstanding dues of micro and small enterprises	23	**92.66**	68.31
Total outstanding dues of creditors other than micro and small enterprises	23	**1,557.35**	1,499.93
Other current financial liabilities	24	**241.50**	217.19
Current tax liabilities (net)	22	**55.56**	3.16
Other current liabilities	25	**292.25**	267.04
Provisions	19	**183.93**	169.15
		2,439.73	**2,234.02**
TOTAL		**10,727.36**	**9,605.72**

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

Place: **Mumbai**
Date: **May 27, 2026**

For and on behalf of the Board

Shveta Arya
Managing Director
DIN: 08540723

Farokh Subedar
Director
DIN: 00028428

Vinaya Joshi
Company Secretary
PAN: AMQPJ5216P

Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Place: **Mumbai**
Date: **May 27, 2026**

Statement of Profit and Loss for the year ended March 31, 2026

₹ Crore

Particulars	Notes	Year end March 31	
		2026	2025
Revenue from operations	26	**12,143.19**	10,339.40
Other income	27	**720.50**	626.13
Total income		**12,863.69**	**10,965.53**
Expenses:			
Cost of materials consumed	28.1	**6,964.48**	5,952.23
Purchases of traded goods		**809.68**	656.53
Change in inventories of finished goods, work-in-progress and traded goods	28.2	**(105.65)**	(17.19)
Employee benefits expense	29	**794.68**	774.00
Finance costs	30	**12.41**	15.12
Depreciation and amortisation expense	2, 3, 37	**198.56**	182.90
Other expenses	31	**1,085.09**	905.80
Total expenses		**9,759.25**	**8,469.39**
Profit before exceptional items and tax		**3,104.44**	2,496.14
Exceptional items			
Impact of new labour codes	46	**(94.20)**	–
Gain on sale of subsidiary	46	**44.15**	–
Total Exceptional items (expense)/income		**(50.05)**	**–**
Profit before tax		**3,054.39**	2,496.14
Tax expense			
Current tax	20	**706.37**	594.34
Deferred tax	20	**5.28**	(2.84)
Tax for earlier years	20	**12.56**	(1.14)
Total tax expense		**724.21**	590.36
Profit after tax		**2,330.18**	**1,905.78**

Statement of Profit and Loss for the year ended March 31, 2026

₹ Crore

Particulars	Notes	Year end March 31	
		2026	2025
Other Comprehensive Income (OCI)			
Items not to be reclassified to profit or loss in subsequent periods			
Remeasurement (loss)/gain on defined benefit plans		**25.59**	(19.26)
Income tax effect		**(6.44)**	4.85
Net other comprehensive (expense)/income not to be reclassified to profit or loss in subsequent periods		**19.15**	(14.41)
Items to be reclassified to profit or loss in subsequent periods			
Changes in the fair value of financial instruments		**(1.21)**	2.27
Income tax effect		**0.30**	(0.57)
Net other comprehensive (expense)/income to be reclassified to profit or loss in subsequent periods		**(0.91)**	1.70
Other comprehensive (expense)/income for the year, net of tax		**18.24**	**(12.71)**
Total comprehensive income for the year, net of tax		**2,348.42**	**1,893.07**
Earnings per equity share:			
Basic and diluted earnings per share (₹)	32	**84.06**	68.75
(Nominal value per share ₹ 2)			

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

Place: **Mumbai**
Date: **May 27, 2026**

For and on behalf of the Board

Shveta Arya
Managing Director
DIN: 08540723

Farokh Subedar
Director
DIN: 00028428

Vinaya Joshi
Company Secretary
PAN: AMQPJ5216P

Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Place: **Mumbai**
Date: **May 27, 2026**

Statement of Cash Flows for the year ended March 31, 2026

(₹ Crore)

Particulars		Year ended March 31	
		2026	2025
I.	**Cash generated from operating activities**		
	Profit before tax	**3,054.39**	2,496.14
a)	**Adjustments to reconcile profit before tax to net cash flows**		
	Depreciation and amortisation expense	**198.56**	182.90
	Finance costs	**12.41**	15.12
	Interest income	**(188.50)**	(169.16)
	Dividend income	**(216.75)**	(179.95)
	Loss/(gain) on assets sold, discarded, etc.	**0.15**	(5.79)
	(Gain)/loss on redemption/sale of investments (net)	**(74.84)**	(45.91)
	Equity contribution from Holding company	**14.38**	15.23
	Unrealised foreign exchange fluctuation (net)	**(1.77)**	5.41
	Mark to market ('MTM') of financial instruments	**2.33**	(2.24)
	Allowance for doubtful debts (net)	**(0.43)**	4.08
	Exceptional items (Note 46)	**50.05**	–
		(204.41)	**(180.31)**
b)	**Working capital adjustments**		
	Trade receivables	**(445.37)**	(222.09)
	Inventories	**(146.21)**	(85.36)
	Current and non-current financial assets	**(14.93)**	(19.64)
	Other current and non-current assets	**(49.43)**	11.07
	Trade payables	**56.73**	161.94
	Current and non-current financial liabilities	**63.90**	67.39
	Other current and non-current liabilities	**63.23**	7.33
	Current and non-current provisions	**(17.42)**	21.78
		(489.50)	**(57.58)**
	Total adjustments (a+b)	**(693.91)**	**(237.89)**
	Cash generated from operating activities	**2,360.48**	**2,258.25**
	Tax paid (net of refunds)	**(626.22)**	(571.75)
	Net cash generated from operating activities	**1,734.26**	**1,686.50**
II.	**Cash flows (used in)/from investing activities**		
	Purchase of property, plant and equipment, intangible assets and investment property	**(251.71)**	(225.54)
	Proceeds from sale of property, plant and equipment	**4.34**	8.11
	Interest received	**188.50**	169.16
	Dividend received on investments in associate and joint venture	**216.75**	179.95
	Advance received for sale of investment in subsidiary	**–**	56.50
	Purchase of short term investments	**(4,787.53)**	(4,205.30)
	Sale of short term investments	**4,244.85**	4,499.55
	Sale/(Purchase) of long term investments (net)	**(2.70)**	–
	Investment in Term Deposits including interest	**(1,937.67)**	(2,296.78)
	Withdrawal of Term Deposits including interest	**2,340.16**	1,235.28
Net cash (used in)/from investing activities		**14.99**	**(579.07)**

Statement of Cash Flows for the year ended March 31, 2026

(₹ Crore)

Particulars		Year ended March 31	
		2026	2025
III.	**Cash flows (used in)/from financing activities**		
	Proceeds from borrowings/repayment of borrowings (net)	–	(100.00)
	Finance costs	**(2.92)**	(5.13)
	Payment of principal portion of lease liabilities	**(9.11)**	(7.40)
	Dividend paid	**(1,483.02)**	(1,053.36)
Net cash (used in)/from financing activities		**(1,495.05)**	**(1,165.89)**
IV.	**Net change in cash and cash equivalents (I+II+III)**	**254.20**	(58.46)
v.	**Net foreign exchange difference**	**10.82**	1.68
VI.	**Cash and cash equivalents at the beginning of the year**	**234.99**	291.77
Vii.	**Cash and cash equivalents at the end of the year (IV+V+VI)**	**500.01**	234.99
	Components of cash and cash equivalents		
	Cash on hand	**–**	–
	Bank Balances		
	In current accounts	**112.03**	91.95
	Deposits (original maturity less than 3 months)		
	- Banks	**90.01**	143.04
	- Certificate of Deposit	**297.97**	–
Total cash and cash equivalents (Refer note 11)		**500.01**	**234.99**

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

Place: **Mumbai**
Date: **May 27, 2026**

For and on behalf of the Board

Shveta Arya
Managing Director
DIN: 08540723

Farokh Subedar
Director
DIN: 00028428

Vinaya Joshi
Company Secretary
PAN: AMQPJ5216P

Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Place: **Mumbai**
Date: **May 27, 2026**

Statement of Changes in Equity for the year ended March 31, 2026

A) Equity share capital

Particulars	(₹ Crore)
As at April 1, 2024	55.44
Changes in equity share capital during the year ended March 31, 2025	–
As at March 31, 2025	55.44
Changes in equity share capital during the year ended March 31, 2026	–
As at March 31, 2026	**55.44**

Statement of Changes in Equity for the year ended March 31, 2026

B) Other equity

(₹ Crore)

Particulars	Retained earnings (Refer note 17)		Other reserves (Refer note 17)			Total
	Statement of profit and loss	Other comprehensive income (OCI)	General reserve	Capital redemption reserve	Equity contribution from Cummins Inc. share based payments*	
Balance as at April 1, 2024	4,987.38	(52.76)	1,142.02	0.70	30.31	6,107.65
Add: Profit for the year	1,905.78	–	–	–	–	1,905.78
Add/(Less): Other comprehensive income						
- Items not to be reclassified to profit or loss in subsequent periods	–	(14.41)	–	–	–	(14.41)
- Items to be reclassified to profit or loss in subsequent periods	–	1.70	–	–	–	1.70
Total comprehensive income for the year	**1,905.78**	**(12.71)**	**–**	**–**	**–**	**1,893.07**
Add: Equity contribution during the year	–		–	–	15.23	15.23
Less: Dividends paid						
- Interim dividend	498.96	–	–	–	–	498.96
- Final dividend for FY 2023-2024	554.40	–	–	–	–	554.40
Balance as at March 31, 2025	**5,839.80**	**(65.47)**	**1,142.02**	**0.70**	**45.54**	**6,962.59**
Add: Profit for the year	2,330.18		–	–	–	2,330.18
Add/(Less): Other comprehensive income						
- Items not to be reclassified to profit or loss in subsequent periods	–	19.15	–	–	–	19.15
- Items to be reclassified to profit or loss in subsequent periods	–	(0.91)	–	–	–	(0.91)
Total comprehensive income for the year	**2,330.18**	**18.24**	**–**	**–**	**–**	**2,348.42**
Add: Equity contribution during the year	–		–	–	14.38	14.38
Less: Dividends paid						
- Interim dividend	554.40	–	–	–	–	554.40
- Final dividend for FY 2024-2025	928.62	–	–	–	–	928.62
Balance as at March 31, 2026	**6,686.96**	**(47.23)**	**1,142.02**	**0.70**	**59.92**	**7,842.37**

* Scheme managed and administered by the Holding Company.

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

Place: **Mumbai**
Date: **May 27, 2026**

For and on behalf of the Board

Shveta Arya
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Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Place: **Mumbai**
Date: **May 27, 2026**

Notes to standalone financial statements for the year ended March 31, 2026

1A Material accounting policy information

a) Corporate information:

Cummins India Limited ('CIL' or 'the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Cummins India Office Campus, Balewadi, Pune. The Company is engaged in the business of manufacturing, trading and selling of engines and allied activities. (CIN: L29112PN1962PLC012276)

The standalone financial statements for the year ended March 31, 2026 were authorised for issue in accordance with the resolution of the directors on May 27, 2026.

b) Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of division II of schedule III to the Companies Act, 2013 (Ind AS compliant schedule III).

The financial statements are prepared on a historical cost basis, except for the following assets and liabilities:

- certain financial assets and financial liabilities (including derivative instruments) which have been measured at fair value,
- assets held for sale are measured at lower of carrying amount or fair value less cost to sell
- defined benefit plans - Plan assets are measured at fair value

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Fair value measurements

The Company measures financial instruments at fair value on initial recognition and at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability or
ii) In the absence of a principal market, in the most advantageous market for the asset or liability,

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Notes to standalone financial statements for the year ended March 31, 2026

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Other fair value related disclosures are given in the relevant notes:

Disclosures for valuation methods, significant estimates and assumptions (Refer note 35 and 44)
Financial instruments (including those carried at amortised cost) (Refer note 4, 5, 9 to 13)
Investment properties (Refer note 3)

d) Property, plant and equipment and investment properties

Property plant and equipment, capital work in progress and investment properties are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All costs relating to the acquisition and installation of property plant and equipment/investment properties are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Profit and Loss during the financial year in which they are incurred. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciate them separately based on their specific useful lives.

Notes to standalone financial statements for the year ended March 31, 2026

Depreciation is computed on straight line method to allocate the costs of assets, net of their residual values on their estimated useful lives, determined based on internal technical evaluation as follows:

Assets	Useful life
Roads	10 years
Office building and investment properties	Upto 60 years
Factory building	30 years
Plant and machinery	3 to 15 years
Furniture and fittings	5 to 10 years
Vehicles	8 to 9 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Freehold land is carried at cost. Losses arising from the retirement of, and gains and losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

Leasehold improvements are depreciated on straight line basis over the period of lease or their useful life, whichever is less.

Transfers are made to investment properties only when there is a change in use. Transfers between investment property and owner-occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets with finite useful life are amortised on straight line basis over their respective useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Softwares are amortised over a period of useful lives from the date available for use (3-5 years), being the estimated useful life as per the management estimate or license term whichever is less.

Technical know-how represents proprietary technology and manufacturing expertise that is expected to generate future economic benefits over 7 years, being the estimated useful life as per the management estimate and is accordingly recognised as an intangible asset.

The amortisation period for an intangible asset with finite useful life is reviewed atleast at the end of each reporting period.

Losses arising from the retirement of, and gains and losses arising from disposal of intangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

f) Inventories

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence.

Notes to standalone financial statements for the year ended March 31, 2026

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Material cost is determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Material in transit is valued at cost incurred till date.

g) Foreign currency transactions

The Company's financial statements are presented in INR (₹), which is also the functional currency of the Company.

Transactions in foreign currencies are accounted at the functional currency spot rates prevailing on the date of transactions. Monetary foreign currency financial assets and liabilities are translated at functional currency spot rates of exchange at the reporting date. The resulting exchange differences are appropriately recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non - monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non- monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item.

h) Revenue recognition

i) Revenue from sale of products

Revenue from contracts with customers for sale of products is recognised, generally at a point in time, when control of the goods is transferred to the customer at an amount that reflects the transaction price which is the consideration that the Company expects to be entitled in exchange for those goods, excluding taxes or duties collected on behalf of the government e.g. goods and service tax (GST). The Company has generally concluded that it is the principal in its revenue arrangements.

ii) Rebates and discounts

The Company provides retrospective rebates to certain customers once customers meet specified contractual conditions such as purchase volumes, payment timelines, etc. Rebates are offset against amounts payable by the customer and are reduced from revenue. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single threshold and the expected value method for contracts with multiple thresholds. The selected method that best predicts the amount of variable consideration is primarily driven by the structure and number of thresholds within the contract.

Notes to standalone financial statements for the year ended March 31, 2026

iii) Warranty obligations

The Company typically provides warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

iv) Sale of services - installation services

The Company provides installation services that can be either sold separately or bundled together with the sale of products to a customer. The installation services can be obtained from other providers and do not significantly customise or modify the product sold.

Contracts for bundled sales of products and installation services are comprised of two performance obligations because the promises to transfer products and provide installation services are capable of being distinct and separately identifiable. Accordingly, the Company allocates the transaction price based on the relative standalone selling prices of the products and installation services.

The Company recognises revenue from installation services over time, using an output method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company. Revenue from sale of products is recognised at a point in time, generally upon delivery of the products.

v) Sale of services - service contracts

The Company has long-term service contracts with customers. Revenue from service contracts is recognised over time i.e based on the proportionate completion method. Completion is determined as a proportion of costs incurred till date to the total estimated contract costs. Provision is made for any loss in the period in which it is foreseen. The Company considers that this method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under Ind AS 115.

In case of other service contracts, revenue is recognized over time, using input/output method, when services are rendered and on receipt of confirmation from customers, as the case may be.

vi) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays the consideration or before payment is due, a contract asset is recognised for the earned consideration.

vii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due when billing has been done) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Notes to standalone financial statements for the year ended March 31, 2026

viii) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section "n" impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of offices and warehouses. It also applies the lease of low-value assets recognition exemption to leases of office equipment

Notes to standalone financial statements for the year ended March 31, 2026

that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising on such leases is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

j) Employee benefits

The Company operates following post-employment schemes, including both defined benefit and defined contribution plans.

A) Post-employment benefits

i) Defined contribution plans:

A defined contribution plan is a plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Company has defined contribution plans for post employment benefits in the form of superannuation fund for management employees and provident fund for non management employees which is administered by Life Insurance Corporation of India/regional provident fund commissioner. In case of superannuation fund for management employees and provident fund for non management employees, the Company has no further obligation beyond making the contributions. The contributions are accounted for as employee benefit expense when they are due. Prepaid contribution is recognised as an asset to the extent cash refund or reduction in future contribution is available.

ii) Defined benefit plans:

Funded Plan: The Company has defined benefit plans for post-employment benefits in the form of gratuity for all employees, pension for non management employees and provident fund for management employees which are administered through Company managed trust/Life Insurance Corporation of India.

Unfunded Plan: The Company has unfunded defined benefit plans in the form of post retirement medical benefits (PRMB) and ex-gratia benefits as per the policy of the Company.

Liability for above defined benefit plans is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is Projected Unit Credit method. In case of provident fund for management employees, the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's contributions and such shortfall are charged to the Statement of Profit and Loss as and when incurred.

Notes to standalone financial statements for the year ended March 31, 2026

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current Service costs, past-Service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

B) Other employee benefit (unfunded)

Liability for compensated absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used for measuring the liability is Projected Unit Credit method. Under this method, projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for active members of the plan. The "projected accrued benefit" is based on the plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the "projected accrued benefits" as of the beginning of the year for active members.

Termination benefits are recognized as an expense as and when incurred.

The present value of defined benefit obligation denominated in INR (₹) is determined by discounting the estimated future cash flows by reference to the market yield at the end of the reporting period on the government bonds that have terms approximately equal to the terms of the related obligation.

k) Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit (7 years). Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

Notes to standalone financial statements for the year ended March 31, 2026

l) Income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing and applicable for the relevant assessment year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income taxes are recognised for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases in the financial statements. The effect on deferred tax assets and liabilities of a change in the tax rates is recognised using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

m) Provisions and contingent liabilities

A provision is recognised when there is a present legal or constructive obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made where there is a possible obligation arising out of past event, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n) Impairment of non financial assets

The Company tests non financial assets for impairment at the close of the accounting period if and only if there are indications that suggest a possible reduction in the recoverable value of an asset. If the recoverable value of an asset, i.e. the net realizable value or the economic value in use of a cash generating unit, is lower than the carrying amount of the asset, the difference is provided for as impairment. However, if subsequently the position reverses and the recoverable amount becomes higher than the then carrying value the provision to the extent of the then difference is reversed, but not higher than the amount provided for.

o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

Notes to standalone financial statements for the year ended March 31, 2026

p) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, it is either recorded as deferred income and is recognised as income on a systematic and rational basis over the useful life of the asset, or adjusted against the cost of the asset.

When the Company receives non-monetary grants, the asset and the grant are recorded at fair value and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component are measured at transaction price. For all subsequent measurements financial assets are classified in following categories:

A) Debt instruments

i) Debt instruments at amortised cost: Debt instrument is measured at amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flow that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees for cost that are an integral part of the EIR. EIR amortisation is included in other income in the Statement of Profit and Loss. This category generally applies to loans and trade and other receivables.

ii) Debt instruments fair value through OCI (FVTOCI): Debt instrument is classified as FVTOCI if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses).

Notes to standalone financial statements for the year ended March 31, 2026

iii) Debt instruments at fair value through profit and loss (FVTPL): Debt instruments not classified as amortised cost or FVTOCI are classified as FVTPL. The Company has not classified any debt under this category.

B) Equity instruments

Equity instruments held for trading are classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI the subsequent changes in fair value. The Company makes such election on an instrument by instrument basis. If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends are recognized in OCI. There is no recycling of the amount from OCI to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity.

The Company has elected to present all equity instruments, other than those in subsidiary, joint ventures and associate, through FVTPL and all subsequent changes are recognized in Statement of Profit and Loss.

C) Derecognition

A financial asset (or wherever applicable, a part of the financial asset or part of a group of similar financial assets) is primarily derecognized when the rights to receive cash flow from the assets have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flow in full to a third party under a pass through arrangement and either a) the Company has transferred substantially all risks and rewards of the asset or b) has transferred control of the asset.

D) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss (allowance for doubtful debts) and credit risk exposure on the financial assets that are debt instruments measured at amortised costs e.g. loans, deposits, trade receivables, lease receivable and bank balances.

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables and lease receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather it recognizes impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period the credit risk reduces since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

As a practical expedient, the Company uses a provision matrix, based on the age of the receivables classified into various age buckets, to determine impairment loss allowance on portfolio of its trade receivables. The matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed. The Company has presumed that default doesn't occur later than when a financial asset is 90 days past due.

Notes to standalone financial statements for the year ended March 31, 2026

Impairment loss allowance including ECL or reversal recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'Other Expenses' in Statement of Profit and Loss. The impairment loss is presented as an allowance in the Balance Sheet as a reduction from the net carrying amount of the trade receivable, loan, deposits and lease receivable respectively.

Financial Liabilities

All financial liabilities are initially recognised at fair value. The Company's financial liabilities include trade and other payables, other financial liabilities, loans and borrowings and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification as FVTPL or at amortised cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of EIR. EIR amortisation is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Derivatives

The Company uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss.

Embedded derivatives: An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the FVTPL category.

Notes to standalone financial statements for the year ended March 31, 2026

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of Profit and Loss, unless designated as effective hedging instruments.

Reclassification of financial instruments

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies the financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r) Dividend distribution

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company.

1B Other accounting policies

a) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

b) Earning per Share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Notes to standalone financial statements for the year ended March 31, 2026

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

c) Other income

i) Interest income is recognised using effective interest rate method ('EIR'). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross amount of the financial asset or to the amortised cost of a financial liability. When calculating EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but doesn't consider the expected credit losses. Interest income is included in Other Income in the Statement of Profit and Loss.

ii) Rental income is recognised on straight-line basis over the lease term, other than escalations on account of inflation.

iii) Dividend income from investments is recognised when the right to receive payment is established.

Notes to standalone financial statements for the year ended March 31, 2026

2.1 Property, Plant and Equipment (PPE)

(₹ Crore)

Particulars	Gross block					Accumulated Depreciation and Amortisation					Net block
	As at April 1, 2025	Additions	Adjust-ment**	Deductions/ Write-off	As at March 31, 2026	As at April 1, 2025	For the year	Adjust-ment**	Deductions/ Write-off	As at March 31, 2026	As at March 31, 2026
Freehold land @	29.69	–	(0.36)	–	**29.33**	–	–	–	–	**–**	**29.33**
Leasehold Improvements	11.61	–	–	–	**11.61**	1.05	0.16	–	–	**1.21**	**10.40**
Roads	34.88	1.01	–	–	**35.89**	24.57	0.90	–	–	**25.47**	**10.42**
Buildings #	836.35	25.25	(2.11)	0.07	**859.42**	201.07	20.45	2.21	0.02	**223.71**	**635.71**
Plant and machinery #	1,280.94	163.84	6.91	58.83	**1,392.86**	728.04	94.64	4.88	54.66	**772.90**	**619.96**
Furniture and fittings #	50.98	4.00	(0.24)	0.92	**53.82**	38.88	2.47	0.22	0.92	**40.65**	**13.17**
Vehicles	5.06	0.69	(0.56)	0.26	**4.93**	3.39	0.36	(0.46)	0.25	**3.04**	**1.89**
	2,249.51	**194.79**	**3.64**	**60.08**	**2,387.86**	**997.00**	**118.98**	**6.85**	**55.85**	**1,066.98**	**1,320.88**

2.2 Intangible assets

(₹ Crore)

Particulars	Gross block					Accumulated Depreciation and Amortisation					Net block
	As at April 1, 2025	Additions	Adjust-ment**	Deductions/ Write-off	As at March 31, 2026	As at April 1, 2025	For the year	Adjust-ment**	Deductions/ Write-off	As at March 31, 2026	As at March 31, 2026
Software	22.82	2.42	(0.01)	–	**25.23**	11.95	3.81	–	–	**15.76**	**9.47**
Technical know-how	149.94	–	–	–	**149.94**	47.00	17.27	–	–	**64.27**	**85.67**
Development cost	48.25	–	–	–	**48.25**	25.86	8.61	–	–	**34.47**	**13.78**
	221.01	**2.42**	**(0.01)**	**–**	**223.42**	**84.81**	**29.69**	**–**	**–**	**114.50**	**108.92**

2.3 Capital work-in-progress (including investment property in progress) and intangible assets under development

(₹ Crore)

Particulars	As at April 1, 2025	Additions	Capitalisation			Total	As at March 31, 2026
			PPE	Intangible assets	Investment properties		
Capital work-in-progress	78.16	203.61	194.79	-	9.58	204.37	**77.40**
Intangible assets under development	6.71	16.02	-	2.42	-	2.42	**20.31**
	84.87	**219.63**	**194.79**	**2.42**	**9.58**	**206.79**	**97.71**

2.4 Capital work-in-progress (including investment property in progress) and intangible assets under development aging schedule*

(₹ Crore)

Projects in progress	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	76.97	-	-	0.43	77.40
Intangible assets under development	19.74	0.57	-	-	20.31
	96.71	**0.57**	**-**	**0.43**	**97.71**

* Capital work-in-progress includes projects amounting to ₹ 0.43 Crore whose completion is overdue on account of procedural delays and will be completed in the next 1 year.

NOTES:

@ 1) Includes reservations by Pune Municipal Corporation for Economically Weaker Section (EWS) and Road.
2) Includes undivided share of land, on purchase of office premises.

** includes reclassification from/to assets held for sale

Includes certain assets given on cancellable/non-cancellable operating lease

Notes to standalone financial statements for the year ended March 31, 2026

2.1 Property, Plant and Equipment (PPE)

(₹ Crore)

Particulars	Gross block					Accumulated Depreciation and Amortisation					Net block
	As at April 1, 2024	Additions	Adjust-ment**	Deductions/ Write-off	As at March 31, 2025	As at April 1, 2024	For the year	Adjust-ment**	Deductions/ Write-off	As at March 31, 2025	As at March 31, 2025
Freehold land @	29.69	–	–	–	29.69	–	–	–	–	–	29.69
Leasehold Improvements	11.44	0.19	(0.02)	–	11.61	0.86	0.17	0.02	–	1.05	10.56
Roads	32.02	2.86	–	–	34.88	23.84	0.73	–	–	24.57	10.31
Buildings #	807.82	33.41	(4.61)	0.27	836.35	182.08	18.95	0.20	0.16	201.07	635.28
Plant and machinery #	1,182.25	166.20	(12.10)	55.41	1,280.94	711.75	84.29	(14.61)	53.39	728.04	552.90
Furniture and fittings #	50.19	3.15	(2.20)	0.16	50.98	38.46	2.76	(2.19)	0.15	38.88	12.10
Vehicles	4.53	0.91	0.25	0.63	5.06	3.39	0.25	0.22	0.47	3.39	1.67
	2,117.94	**206.72**	**(18.68)**	**56.47**	**2,249.51**	**960.38**	**107.15**	**(16.36)**	**54.17**	**997.00**	**1,252.51**

2.2 Intangible assets

(₹ Crore)

Particulars	Gross block					Accumulated Depreciation and Amortisation					Net block
	As at April 1, 2024	Additions	Adjust-ment**	Deductions/ Write-off	As at March 31, 2025	As at April 1, 2024	For the year	Adjust-ment**	Deductions/ Write-off	As at March 31, 2025	As at March 31, 2025
Software	17.04	5.80	–	0.02	22.82	9.24	2.71	–	–	11.95	10.87
Technical know-how	121.60	28.34	–	–	149.94	29.00	18.00	–	–	47.00	102.94
Development cost	48.25	–	–	–	48.25	18.97	6.89	–	–	25.86	22.39
	186.89	**34.14**	**–**	**0.02**	**221.01**	**57.21**	**27.60**	**–**	**–**	**84.81**	**136.20**

Notes to standalone financial statements for the year ended March 31, 2026

2.3 Capital work-in-progress (including investment property in progress) and intangible assets under development

(₹ Crore)

Particulars	As at April 1, 2024	Total Additions	Capitalisation			Total Capitalisation	As at March 31, 2025
			PPE	Intangible assets	Investment properties		
Capital work-in-progress	94.65	190.34	206.72	-	0.11	206.83	78.16
Intangible assets under development	2.16	38.69	-	34.14	-	34.14	6.71
	96.81	**229.03**	**206.72**	**34.14**	**0.11**	**240.97**	**84.87**

2.4 Capital work-in-progress (including investment property in progress) and intangible assets under development aging schedule*

(₹ Crore)

Projects in progress	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	70.79	6.30	0.17	0.90	78.16
Intangible assets under development	6.71	-	-	-	6.71
	77.50	**6.30**	**0.17**	**0.90**	**84.87**

* Capital work-in-progress includes projects amounting to ₹ 0.90 Crore whose completion is overdue on account of procedural delays and will be completed in the next 1 year.

NOTES:

@ 1) Includes reservations by Pune Municipal Corporation for Economically Weaker Section (EWS) and Road.
2) Includes undivided share of land, on purchase of office premises.

** includes reclassification from/to assets held for sale

Includes certain assets given on cancellable/non-cancellable operating lease

Notes to standalone financial statements for the year ended March 31, 2026

3 Investment properties

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Gross block		
Opening balance	**1,261.34**	1,261.23
Additions	**9.58**	0.11
Deductions	**–**	–
Re-classification from property, plant and equipment	**5.28**	–
Closing balance	**1,276.20**	**1,261.34**
Accumulated Depreciation		
Opening balance	**326.19**	283.92
Depreciation	**42.46**	42.27
Deductions	**–**	–
Re-classification from property, plant and equipment	**0.87**	–
Closing balance	**369.52**	**326.19**
Net block	**906.68**	**935.15**

Information regarding income and expenditure of investment properties

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Rental income derived from investment properties	**154.33**	145.57
Direct operating expenses (including repairs and maintenance) generating rental income	**11.51**	11.48
Profit arising from investment properties before depreciation and indirect expenses	**142.82**	**134.09**
Less: Depreciation	**42.46**	42.27
Profit arising from investment properties before indirect expenses	**100.36**	**91.82**

The investment properties consist of office premises and plants. As at March 31, 2026 the fair value of the properties is ₹ 1,485.52 Crore (As at March 31, 2025: ₹ 1,451.55 Crore). These fair values are based on valuations performed by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. A valuation model as recommended by International Valuation Standards Committee has been applied. The Company considers factors like management intention, terms of rental agreements, area leased out, life of the assets etc. to determine classification of assets as investment properties. The rental income considered in the table above is from the date of rental agreement or date of re-classification from property, plant and equipment as applicable.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Notes to standalone financial statements for the year ended March 31, 2026

Description of valuation techniques used and key inputs to valuation on investment properties

Valuation technique	Significant unobservable inputs	Range (weighted average)	
		March 31, 2026	March 31, 2025
Income approach (Discounted Cash flow (DCF) method)	Estimated rental value per sq ft per month	₹ 32.45 - ₹ 138	₹ 32.45 - ₹ 131.46
	Rent growth p.a.	3% - 15% every 3 years or based on market assessment	3% - 15% every 3 years or based on market assessment
	Discount rate	13.80%	13.85%

As per the DCF method, fair value is defined as the present value of future cash flows that can be generated from the Company. To estimate the cash flows available, projected cash flows of the Company are considered for certain future years (explicit forecast period). Based on the projected cash flows, the free cash flows from subject properties are estimated. The Company has discounted the net cash flows to arrive at the present value of free cash flows. After the explicit period, the subject properties will continue to generate cash. In DCF method, therefore, perpetuity value/ capitalized value/terminal value is also considered to arrive at the value of the subject properties.

4.1 Investments in a joint venture and an associate

As at March 31 (Units)		Particulars	As at March 31 (₹ Crore)	
2026	2025		**2026**	2025
		Investments in joint venture and associate Unquoted equity instruments (at cost)		
95,00,000	95,00,000	**Investment in joint venture (fully paid up)** Valvoline Cummins Private Limited (% Holding: 50%) (Incorporated in India)	**8.04**	8.04
		Investment in associate (fully paid up) (Refer note 46)		
7,79,997	7,79,997	Cummins Generator Technologies India Private Limited (% Holding: 48.74%) (Incorporated in India)	**17.20**	17.20
		Total	**25.24**	**25.24**

4.2 Investments in a joint venture and an associate

As at March 31 (Units)		Particulars	As at March 31 (₹ Crore)	
2026	2025		**2026**	2025
		Other investments (fully paid up) Unquoted equity instruments (Fair value through profit and loss)		
23,250	–	Clean Max Yellowstone Private Limited	**2.70**	–
		Total	**2.70**	**–**

Notes to standalone financial statements for the year ended March 31, 2026

5 Other non-current financial assets (carried at amortised cost)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unsecured, considered good		
Security deposits	**18.20**	14.55
Total	**18.20**	**14.55**

6 Income tax assets (net)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Advance income tax (net of provision for taxation)	**0.54**	43.83
Total	**0.54**	**43.83**

7 Other non-current assets

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unsecured, considered good		
Capital advances	**34.30**	41.40
Balances with statutory/government authorities	**54.72**	60.99
Others *	**0.41**	0.53
Total	**89.43**	**102.92**

* Others include prepaid expenses

8 Inventories

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Raw materials and components [includes goods in transit 181.25 Crore (March 31, 2025 ₹ 144.40 Crore)]	**625.45**	586.64
Work-in-progress (includes goods lying with third parties)	**228.76**	170.90
Finished goods [includes goods in transit ₹ 5.05 Crore (March 31, 2025 ₹ 5.76 Crore) and lying with third parties)] *	**283.73**	240.32
Traded goods	**14.61**	10.23
Stores and spares	**5.20**	4.59
Loose tools	**10.70**	9.56
Total	**1,168.45**	**1,022.24**

* During the year ended March 31, 2026 ₹ 1.43 Crore (March 31, 2025: ₹ 1.42 Crore) was recognised as an expense for inventories carried at net realisable value.

Notes to standalone financial statements for the year ended March 31, 2026

9 Current investments

As at March 31 (Units)		Particulars	As at March 31 (₹ Crore)	
2026	2025		**2026**	2025
		Unquoted mutual funds valued at fair value through profit and loss		
–	4,79,972	Aditya Birla Sun Life Liquid Fund - Growth-Direct Plan	**–**	20.10
2,94,837	1,39,815	Axis Liquid Fund - Direct Growth	**90.36**	40.32
37,357	59,464	HDFC Liquid Fund - Direct Plan - Growth Option	**20.21**	30.28
38,114	20,004	HDFC Liquid Fund - Regular Plan - Growth	**20.39**	10.08
86,995	43,501	HDFC Money Market Fund - Direct Plan - Growth Option	**53.09**	24.87
1,64,577	38,758	HSBC Liquid Fund - Direct Growth	**45.18**	10.02
9,32,530	6,65,554	ICICI Prudential Money Market Fund - Growth	**37.00**	24.77
17,24,125	5,22,270	ICICI Prudential Liquid Fund - Direct Plan - Growth	**70.29**	20.05
99,081	1,14,797	Kotak Liquid Fund Direct Plan Growth	**55.14**	60.15
1,00,222	77,663	Kotak Money Market Fund - Growth (Regular Plan)	**47.06**	34.22
74,360	23,686	Nippon India Liquid Fund - Direct Plan Growth Plan Growth Option	**50.15**	15.03
1,06,702	70,084	Nippon India Money Market Fund - Growth Plan Growth Option	**46.29**	28.53
1,39,781	98,857	SBI Liquid Fund Direct Growth	**60.19**	40.09
78,59,910	–	SBI Savings Fund - Direct Plan - Growth	**36.55**	-
–	24,473	Tata Liquid Fund Direct Plan - Growth	**-**	10.02
1,33,343	23,562	UTI Liquid Fund - Direct Plan Growth	**60.23**	10.02
2,29,223	–	Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	**10.07**	-
1,11,734	58,055	TATA Money Market Fund - Growth-Regular Plan	**55.17**	26.89
88,713	88,713	UTI Money Market Fund - Regular Growth Plan	**28.61**	26.83
93,869	24,796	TATA Liquid Fund - Regular Plan - Growth	**40.31**	10.03
8,83,545	8,83,545	Aditya Birla Sun Life Floating Rate Fund - Growth - Regular Plan	**32.09**	30.09
4,15,10,993	4,15,10,993	SBI CPSE BOND PLUS SDL SEP 2026 50:50 INDEX FUND - DIRECT PLAN - GROWTH	**53.43**	50.02
4,11,83,763	4,11,83,763	Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund Direct Growth	**53.41**	50.02
3,41,388	–	Axis Money Market Fund Direct Growth	**51.62**	–
11,70,087	–	ICICI Money Market Fund - Growth Direct	**47.04**	–
1,08,794	–	Kotak Money Market Scheme - Direct Plan - Growth	**51.62**	–
1,18,855	–	NIPPON INDIA MONEY MARKET FUND - DIRECT PLAN GROWTH OPTION	**52.30**	–
1,91,834	–	UTI Money Market Fund - Direct Growth Plan - Total	**62.66**	–
1,02,469	–	Tata Money Market Fund Direct Plan - Growth	**51.64**	–
13,15,334	–	Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan	**51.58**	–

Notes to standalone financial statements for the year ended March 31, 2026

9 Current investments

As at March 31 (Units)		Particulars	As at March 31 (₹ Crore)	
2026	2025		**2026**	2025
19,30,569	–	HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	**10.28**	–
4,11,289	–	Aditya Birla Sun Life Money Manager Fund - Growth-Regular Plan	**15.91**	–
		Value of unquoted mutual funds	**1,359.87**	**572.43**
		Quoted Bonds/NCD valued at fair value through OCI		
3,00,000	3,00,000	Non Convertible Debentures - 7.45% PFC	**31.43**	31.52
2,000	2,000	REC/Bonds/227-A Series	**20.77**	20.73
2,000	2,000	7.79% SIDBI 2027-Series VI of FY 2023-24	**20.48**	20.46
–	2,000	REC/Bonds/229 A Series	**–**	20.72
–	400	5.78% HDFC Bank Limited 2025	**–**	40.35
–	350	6.43% HDFC Bank Limited 2025	**–**	35.92
600	350	6.00% HDFC Bank 2026	**62.80**	36.20
25	25	8.35% HDFC Bank 2026	**26.85**	27.07
–	750	7.4% National Bank for Agriculture and Rural Development 2026	**–**	75.88
–	5,000	7.59% Small Industrial Development Bank of India 2026	**–**	50.84
2,500	–	7.58% National Bank for Agriculture and Rural Development 2026	**26.23**	–
		Value of quoted Bonds/NCD	**188.56**	**359.69**
		Aggregate value of quoted investments	**188.56**	**359.69**
		Total	**1,548.43**	**932.12**

Notes to standalone financial statements for the year ended March 31, 2026

10 Trade receivables (carried at amortised cost)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Trade receivables	**2,273.82**	1,830.11
Receivables from related parties (Refer note 41)	**480.45**	462.37
Total	**2,754.27**	**2,292.48**
Break up for security details		
Secured, considered good	**450.91**	371.86
Unsecured, considered good	**2,303.36**	1,920.62
Trade receivable which have significant increase in credit risk	**-**	-
Trade receivable - credit impaired	**8.20**	9.77
	2,762.47	**2,302.25**
Impairment loss allowance (allowance for doubtful debts)	**(8.20)**	(9.77)
	(8.20)	**(9.77)**
Total	**2,754.27**	**2,292.48**

No trade receivable or advances are due from directors or other officers of the Company either severally or jointly with any other person. Trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member amounts to ₹ 67.24 Crore (March 31, 2025: ₹ 19.99 Crore). Trade receivables are non interest bearing and are generally on terms of 30 to 90 days.
Weighted average ECL provision works out to be 0.30% (March 31, 2025: 0.43%)
For terms and conditions and transactions with related parties refer note 41.

Trade receivables aging schedule

(₹ Crore)

Particulars	As at	Outstanding for following periods from due date of payment							Total
		Unbilled	Not due	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed trade receivables - considered good	**March 31, 2026**	**47.20**	**2,551.57**	**117.38**	**25.42**	**11.67**	**0.45**	**0.58**	**2,754.27**
	March 31, 2025	29.03	1,988.25	191.20	68.46	12.30	2.46	0.78	2,292.48
ii. Undisputed trade receivables - which have significant increase in credit risk	**March 31, 2026**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	March 31, 2025	-	-	-	-	-	-	-	-
iii. Undisputed trade receivables - credit impaired	**March 31, 2026**	**-**	**-**	**1.71**	**0.14**	**2.57**	**3.28**	**0.50**	**8.20**
	March 31, 2025	-	-	1.39	2.71	0.11	0.26	5.30	9.77
Total	**March 31, 2026**	**47.20**	**2,551.57**	**119.09**	**25.56**	**14.24**	**3.73**	**1.08**	**2,762.47**
	March 31, 2025	29.03	1,988.25	192.59	71.17	12.41	2.72	6.08	2,302.25

Notes to standalone financial statements for the year ended March 31, 2026

11 Cash and Cash Equivalents (carried at amortised cost)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Cash on hand	**–**	–
Bank balances		
In current accounts	**112.03**	91.95
Deposits (original maturity less than 3 months)		
- Banks	**90.01**	143.04
- Certificate of Deposit	**297.97**	–
Total	**500.01**	**234.99**

12 Other bank balances (carried at amortised cost)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unpaid dividend account (restricted)	**15.43**	14.18
Deposits with banks (original maturity more than 3 months but less than 1 year)	**1,858.63**	2,261.12
Total	**1,874.06**	**2,275.30**

13 Other current financial assets (carried at amortised cost, other than foreign exchange forward contracts)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unsecured, considered good:		
Security deposits	**33.27**	25.80
Foreign exchange forward contracts #	**1.27**	2.26
Others *	**32.23**	29.76
Total	**66.77**	**57.82**

Foreign exchange forward contracts at fair value through profit and loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationship, but are nevertheless, intended to reduce the level of foreign currency risk exposure.
* Others primarily include warranty receivable, cross charge etc.

Other current financial assets receivable from firms or private companies in which any director is a partner, a director or a member amounts to ₹ 5.17 Crore (March 31, 2025: ₹ 4.55 Crore). Refer note 41 for related party transactions.

Notes to standalone financial statements for the year ended March 31, 2026

14 Other current assets

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unsecured, considered good:		
Balances with statutory/government authorities	**83.63**	68.28
Contract assets^	**74.12**	8.85
Others*	**36.84**	61.64
Total	**194.59**	**138.77**

* Others include prepaid expenses, supplier advances, etc.

^ Contract assets mainly include right to consideration against future obligation.

15 Assets classified as held for sale (at lower of cost or fair value less cost to sell)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Assets held for sale	**3.60**	4.93
Investment in subsidiary	**–**	12.00
Total	**3.60**	**16.93**

16 Equity share capital

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Authorised		
400,000,000 equity shares of ₹ 2 each	**80.00**	80.00
	80.00	**80.00**
Issued, subscribed and fully paid-up shares:		
277,200,000 equity shares of ₹ 2 each	**55.44**	55.44
Total	**55.44**	**55.44**

a) Reconciliation of number of shares

Equity shares	As at March 31			
	2026		2025	
	Nos. of Shares	**₹ Crore**	**Nos. of Shares**	**₹ Crore**
Balance as at the beginning and end of the year	**277,200,000**	**55.44**	277,200,000	55.44

b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in the proportion to their shareholding.

Notes to standalone financial statements for the year ended March 31, 2026

c) Details of shareholding of promoter

Particulars	As at March 31, 2026			As at March 31, 2025		
	Nos. of Shares	% of total number of shares	% of change during the year	Nos. of Shares	% of total number of shares	% of change during the year
Cummins Inc. USA - Holding Company	**141,372,000**	**51.00%**	**–**	141,372,000	51.00%	–

d) Details of shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	Nos.	%	Nos.	%
Equity shares of ₹ 2 each fully paid Cummins Inc. USA - Holding Company	**141,372,000**	**51.00%**	141,372,000	51.00%

17 Other equity

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Retained earnings	**6,639.73**	5,774.33
	6,639.73	**5,774.33**
Other reserves		
Capital redemption reserve	**0.70**	0.70
General reserve	**1,142.02**	1,142.02
Equity contribution from Holding Company	**59.92**	45.54
Total	**1,202.64**	**1,188.26**

a) Retained earnings

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Opening balance as at April 1	**5,774.33**	4,934.62
Add: Profit for the year	**2,330.18**	1,905.78
Add: Other comprehensive income		
- Items not to be reclassified to profit or loss in subsequent periods Remeasurement (loss)/gain on defined benefit plans, net of tax	**19.15**	(14.41)
- Items to be reclassified to profit or loss in subsequent periods Changes in the fair value of financial instruments (net), net of tax	**(0.91)**	1.70
	8,122.75	**6,827.69**
Less:		
Interim dividend paid for the financial years ended March 31, 2026 (₹ 20 per share) and March 31, 2025 (₹ 18 per share)	**554.40**	498.96
Final dividend paid for the financial years ended March 31, 2025 (₹ 33.50 per share) and March 31, 2024 (₹ 20 per share)	**928.62**	554.40
	1,483.02	**1,053.36**
Closing balance as at March 31	**6,639.73**	**5,774.33**

Notes to standalone financial statements for the year ended March 31, 2026

Dividend not recognised at the end of the reporting period

In addition to the above dividends, since year end the directors have recommended payment of final dividend of ₹ 1,275.12 crore for the year ended March 31, 2026 (March 31, 2025: ₹ 928.62 crore) which is ₹ 46 per fully paid up share (March 31, 2025: ₹ 33.50 per fully paid up share). This proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting.

b) Capital redemption reserve

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Opening balance as at April 1	**0.70**	0.70
Add: Movement during the year	**–**	–
Closing balance as at March 31	**0.70**	**0.70**

c) General reserve

General reserve denotes the amounts transferred from retained earnings on declaration of dividends as per the requirements of erstwhile Companies Act, 1956.

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Opening balance as at April 1	**1,142.02**	1,142.02
Add: Movement during the year	**–**	–
Closing balance as at March 31	**1,142.02**	**1,142.02**

d) Equity contribution from the holding company

Certain employees are directly paid by the holding company through stock options.

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Opening balance as at April 1	**45.54**	30.31
Add: Movement during the year	**14.38**	15.23
Closing balance as at March 31	**59.92**	**45.54**

Notes to standalone financial statements for the year ended March 31, 2026

18 Other non-current financial liabilities (carried at amortised cost)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Deposits	**22.81**	33.90
Retention money	**6.59**	8.44
Capital creditors	**3.36**	0.87
Others *	**9.04**	10.26
Total	**41.80**	**53.47**

* Others primarily include liability on account of Voluntary Retirement Scheme (refer note 47)

19 Provisions

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Provision for employee benefit obligations (Refer note 40)	**209.67**	154.09
Warranties (Refer note 39 (i))	**129.82**	114.27
Statutory matters (Refer note 39 (ii))	**13.44**	16.19
New Engine Performance Inspection (NEPI) (Refer note 39 (iii))	**39.82**	47.52
	392.75	**332.07**
Current provisions	**183.93**	169.15
Non-current provisions	**208.82**	162.92
Total	**392.75**	**332.07**

Notes to standalone financial statements for the year ended March 31, 2026

20 Income taxes

a) Deferred tax liabilities (net)

(₹ Crore)

Particulars	Balance Sheet		Statement of profit and loss	
	As at March 31		Year ended March 31	
	2026	2025	**2026**	2025
Deferred tax assets				
Provision for employee benefits recognised in Statement of profit and loss	**33.40**	28.02	**5.38**	1.42
Other timing differences	**22.77**	25.41	**(2.64)**	9.66
Total deferred tax assets	**56.17**	**53.43**	**2.74**	**11.08**
Deferred tax liabilities				
Depreciation	**140.07**	142.74	**(2.67)**	4.32
Other timing differences	**12.64**	1.95	**10.69**	3.92
Total deferred tax liabilities	**152.71**	**144.69**	**8.02**	**8.24**
Deferred tax (expense)/income			(5.28)	2.84
Net deferred tax liabilities	**96.54**	**91.26**		

b) The major components of income tax expenses for the years ended March 31, 2026 and March 31, 2025 are:

Statement of Profit and Loss

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Profit and loss section		
Current income tax:		
Current income tax charge	**706.37**	594.34
Deferred tax:		
Relating to origination and reversal of temporary differences	**5.28**	(2.84)
Adjustments in respect of current income tax of previous year	**12.56**	(1.14)
Income tax expenses reported in the Statement of Profit and Loss	**724.21**	**590.36**
OCI section		
Tax related to items recognised in OCI during the year	**6.14**	(4.28)
Net (gain)/loss on remeasurements of defined benefit plans and others	**6.14**	**(4.28)**

Notes to standalone financial statements for the year ended March 31, 2026

c) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Accounting profit before tax	**3,054.39**	2,496.14
India's statutory income tax rate	**25.17%**	25.17%
Tax at full rate	**768.73**	628.23
Adjustments:		
Dividend income (not subject to tax)	**(54.55)**	(45.29)
Others (deductible, non-deductible items, net)	**10.03**	7.42
Total	**(44.52)**	**(37.87)**
Income tax expenses reported in the Statement of Profit and Loss for the current year	**724.21**	**590.36**

d) Deferred tax

Reconciliation of deferred tax liabilities (net):

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Opening balances as at April 1	**91.26**	94.10
Tax expense/(income) during the year recognised in Statement of Profit and Loss	**5.28**	(2.84)
Adjustments in respect of previous years	**–**	–
Closing balance as at March 31	**96.54**	**91.26**

21 Other non-current liabilities

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Contract liabilities	**22.63**	25.60
Total	**22.63**	**25.60**

The Company expects the revenue on account of this to be recognised over the next 2 to 5 years.

Notes to standalone financial statements for the year ended March 31, 2026

22 Current tax liabilities (net)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Provision for income tax (net)	**55.56**	3.16
Total	**55.56**	**3.16**

23 Trade payables

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Trade payables to micro and small enterprises (Refer note 34)	**92.66**	68.31
Trade payables other than related parties, micro and small enterprises	**597.84**	611.43
Trade payables to related parties (Refer note 41)	**959.51**	888.50
	1,557.35	**1,499.93**
Total	**1,650.01**	**1,568.24**

Trade payables are non interest bearing and are normally settled in 30 to 90 days.

For terms and conditions and transactions with related parties refer note 41.

Trade payables aging schedule

(₹ Crore)

Particulars	As at	Outstanding for following periods from due date of payment						Total
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed MSME	**March 31, 2026**	**4.58**	**86.95**	**1.13**	**–**	**–**	**–**	**92.66**
	March 31, 2025	5.52	62.60	0.19	–	–	–	68.31
(ii) Undisputed- Others	**March 31, 2026**	**177.09**	**1,144.10**	**220.40**	**5.31**	**2.31**	**8.14**	**1,557.35**
	March 31, 2025	314.03	1,087.53	87.89	1.94	2.07	6.47	1,499.93
Total	**March 31, 2026**	**181.67**	**1,231.05**	**221.53**	**5.31**	**2.31**	**8.14**	**1,650.01**
	March 31, 2025	319.55	1,150.13	88.08	1.94	2.07	6.47	1,568.24

Notes to standalone financial statements for the year ended March 31, 2026

24 Other current financial liabilities

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unpaid dividend	**15.43**	14.18
Royalty (Refer note 41)	**69.04**	62.79
Support services payable (Refer note 41)	**90.16**	35.76
Retention money	**1.06**	2.43
Capital creditors	**8.99**	63.99
Others including salaries, wages, bonus payable	**56.82**	38.04
Total	**241.50**	**217.19**

25 Other current liabilities

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Statutory dues and other payables	**170.34**	130.91
Advance for sale of investment in subsidiary	**-**	56.50
Contract liabilities ^	**121.91**	79.63
Total	**292.25**	**267.04**

^ Contract liabilities include advances received from customers as well as consideration received before the Company has transferred goods or services to the customer.

26 Revenue from operations

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Sale of products	**11,323.80**	9,688.22
Sale of services	**625.93**	477.99
	11,949.73	**10,166.21**
Other operating revenue		
Scrap sales	**7.04**	9.29
Export incentives	**51.54**	44.73
Others *	**134.88**	119.17
	193.46	**173.19**
Revenue from operations	**12,143.19**	**10,339.40**

* Others primarily includes testing income, engineering income, royalty income from dealers, etc.

Notes to standalone financial statements for the year ended March 31, 2026

Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Location		
India	**10,084.77**	8,523.39
Outside India	**2,006.88**	1,771.28
Total revenue from contracts with customers *	**12,091.65**	**10,294.67**
Timing of revenue recognition		
Goods transferred at a point in time	**11,330.84**	9,697.51
Services transferred over time	**760.81**	597.16
Revenue from contracts with customers *	**12,091.65**	**10,294.67**
Set out below is the amount of revenue recognised from		
Amounts included in contract liabilities at the beginning of the year	**69.97**	47.95
Performance obligations satisfied in previous years	**–**	–
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	**12,315.94**	10,532.92
Adjustments		
Sales return	**(54.34)**	(47.70)
Discounts	**(181.35)**	(164.28)
Liquidated damages	**(9.15)**	(12.14)
Others	**20.55**	(14.13)
Revenue from contracts with customers *	**12,091.65**	**10,294.67**

* Excludes export incentives

Notes to standalone financial statements for the year ended March 31, 2026

27 Other income

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Dividend income		
– On investments in associate and joint venture carried at cost	**216.75**	179.95
	216.75	**179.95**
Gain on sale/redemption of investments		
– On current investments designated at fair value through profit and loss	**74.84**	45.91
	74.84	**45.91**
Interest on term deposits and others	**188.50**	169.16
Rent (Refer note 3 for rent on investment properties)	**186.13**	175.71
Exchange gain (net)	**-**	2.13
Gain on assets sold, discarded, etc.	**-**	5.79
Miscellaneous income	**54.28**	47.48
	428.91	**400.27**
Total	**720.50**	**626.13**

28.1 Cost of materials consumed

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Inventory at the beginning of the year	**586.64**	518.55
Add: Purchases	**7,003.29**	6,020.32
Less: Inventory at the end of the year	**625.45**	586.64
Total	**6,964.48**	**5,952.23**

Notes to standalone financial statements for the year ended March 31, 2026

28.2 Changes in inventories of finished goods, work-in-progress and traded goods

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Inventories at the end of the year (Refer note 8)		
Work-in-progress	**228.76**	170.90
Finished goods	**283.73**	240.32
Traded goods	**14.61**	10.23
Subtotal (A)	**527.10**	**421.45**
Inventories at the beginning of the year (Refer note 8)		
Work-in-progress	**170.90**	197.34
Finished goods	**240.32**	196.74
Traded goods	**10.23**	10.18
Subtotal (B)	**421.45**	**404.26**
(Increase)/Decrease (B-A)	**(105.65)**	**(17.19)**

29 Employee benefits expense

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Salaries, wages and bonus	**658.18**	649.07
Contribution to provident and other funds (Refer note 40)	**87.40**	80.46
Staff welfare expenses	**49.10**	44.47
Total	**794.68**	**774.00**

30 Finance costs

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Interest on borrowings and others	**0.02**	3.26
Interest cost on lease liabilities (Refer note 37)	**2.90**	1.87
Total interest expense	**2.92**	**5.13**
Unwinding of discount and effect of changes in discount rate on provisions (Refer note 39)	**9.49**	9.99
Total	**12.41**	**15.12**

Notes to standalone financial statements for the year ended March 31, 2026

31 Other Expenses

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Commission on sales	**30.85**	20.98
Consumption of stores and spare parts	**77.83**	79.29
Warranty expenses (Refer note 39)	**106.34**	97.55
Consumption of tools and gauges	**11.04**	9.17
Repairs to buildings	**41.61**	35.17
Repairs to machinery	**10.38**	9.57
Other repairs	**4.76**	5.50
Power and fuel	**32.46**	31.84
Rates and taxes	**26.18**	10.30
Insurance	**24.12**	22.28
Outside processing charges	**45.32**	34.34
Donations (including expenditure towards corporate social responsibility activities (Refer note 41 and 42))	**37.10**	27.95
Royalties (Refer note 41)	**77.94**	70.65
Support services (Net of credits) (Refer note 41)	**222.52**	110.58
Computer and other services	**115.35**	114.01
Payment to auditors (Refer details below)	**2.15**	1.85
Loss on assets sold, discarded, etc.	**0.15**	–
Loss on sale/redemption of investments	**–**	–
Exchange loss (net)	**1.14**	–
Bad Debts		
Bad debts written off	**1.14**	(5.69)
Allowance for doubtful debts	**(0.43)**	4.08
Amount withdrawn from provisions	**(1.14)**	5.69
	(0.43)	4.08
Other expenses (net of expenses recovered) (Refer note 41)	**218.28**	220.69
Total	**1,085.09**	**905.80**

Payment to auditors:

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
On account of statutory audit fees	**1.60**	1.31
On account of tax audit fees	**0.12**	0.12
On account of other assurance services	**0.39**	0.37
On account of reimbursement of expenses	**0.04**	0.05
Total	**2.15**	**1.85**

Notes to standalone financial statements for the year ended March 31, 2026

32 Earning per share (EPS)

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The numbers used in calculating basic and diluted earnings are stated below:

Particulars	Year ended March 31	
	2026	2025
(a) Profit for the year after taxation (₹ Crore)	**2,330.18**	1,905.78
(b) Weighted average number of shares outstanding during the year	**277,200,000**	277,200,000
(c) Earnings per share (Basic and Diluted) (₹)	**84.06**	68.75
(d) Face value per share (₹)	**2**	2

33 Capital and other commitments

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Estimated amount of contracts in capital account remaining to be executed (net of capital advances)		
Property, plant and equipment	**147.87**	159.25
Intangible assets	**2.79**	0.39
Total	**150.66**	**159.64**

For other commitments also refer Note 37

34 Trade payables include dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 as under:

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Total outstanding dues of micro and small enterprises	**92.66**	68.31

1.	Principal Amount	**92.66**	68.31
2.	Interest accrued	**–**	–
3.	Payment made to suppliers (other than interest) beyond the appointed day, during the year	**75.96**	481.64
4.	Interest paid to suppliers under MSMED Act, 2006 (other than section 16)	**–**	–
5.	Interest paid to suppliers under MSMED Act, 2006 (Section 16)	**0.24**	0.57
6.	Interest due and payable to suppliers under MSMED Act, 2006 for the payments already made	**–**	–
7.	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	**–**	–

The Company has compiled this information based on intimations received from the suppliers of their status as Micro or Small Enterprises and/or their registration with the appropriate authority under MSMED Act, 2006.

Notes to standalone financial statements for the year ended March 31, 2026

35 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in an outcome that requires a material adjustment to the carrying amount of assets or liabilities effected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- Identifying performance obligations in a bundled sale of equipment and installation services

The Company provides installation services that can either be sold separately or bundled together with the sale of equipment to a customer. The installation services are a promise to transfer services in the future and are part of the negotiated exchange between the Company and the customer. The Company determined that both the equipment and installation are capable of being distinct.

- Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of services include volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company applies either the most likely amount method or the expected value method. The most likely amount method is applied for contracts with a single-volume threshold and the expected value method is applied for contracts with more than one volume threshold.

The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Contingent Liabilities

The Company has received orders and notices from tax authorities relating to direct and indirect taxes, the ultimate outcome of which is subject to uncertainty. Management periodically evaluates all available information in respect of such matters to determine whether a present obligation exists as at the reporting date as a result of past events and whether it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made. These assessments involve the exercise of significant judgement by management. (Refer note 36)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next

Notes to standalone financial statements for the year ended March 31, 2026

financial year, are described below. The Company based its assumptions and estimation on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans:

The cost of the defined benefit gratuity plan and other post–employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The discount rate is the parameter most subject to change. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for India. Mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 40.

Fair value measurements of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets if available, otherwise, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instrument. Refer note 44 for further disclosures.

Warranty, statutory matters and New Engine Performance Inspection (NEPI)

For estimates relating to warranty, statutory matters and NEPI (refer note 39)

Notes to standalone financial statements for the year ended March 31, 2026

36 Contingent liabilities

(₹ Crore)

Particulars	As at March 31	
	2026	2025
a. Income tax matters*	**17.31**	17.21
b. Central excise duty/service tax matters*	**6.23**	6.23
c. Duty drawback & custom matters	**8.90**	34.93
d. Sales Tax matters*	**34.61**	34.61
e. Civil liability/secondary civil liability in respect of suits filed against the Company*	**1.61**	1.49
f. Goods and service tax matters	**234.50**	4.33
Total	**303.16**	**98.80**

* Excludes interest and penalties if any. The above matters pertain to certain disallowances/demand raised by respective authorities.

The Company is contesting the demands and the management, including its tax/legal advisors, believe that its position will likely be upheld in the appeal process.

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated February 28, 2019. The Company has implemented the SC decision prospectively.

The Company has various on-going litigations by/or against the Company with respect to tax and other legal matters, other than those disclosed above. The Company believes that it has sufficient and strong arguments on facts as well as on point of law and accordingly no provision/disclosure in this regard has been considered in the financial statements.

37 Leases

Lease commitments as a Lessee

The Company has entered into leases for office premises. These lease arrangements range for a period between 12 and 120 months with lock in period between 24 and 108 months, which include both renewable and non-renewable leases. Addition to ROU assets are non-cash investing activities.

Following are the changes in the carrying value of right of use assets during the year ended

(₹ Crore)

Particulars	**March 31, 2026 Category of ROU**				**March 31, 2025 Category of ROU**			
	Building	**Land**	**Vehicles**	**Total**	**Building**	**Land**	**Vehicles**	**Total**
Balance as at the beginning of the year	**22.97**	**12.69**	**4.14**	**39.80**	16.99	13.57	–	30.56
Additions	**15.40**	**–**	**3.33**	**18.73**	14.41	2.34	5.01	21.76
Adjustment	**(2.23)**	**0.14**	**(0.54)**	**(2.63)**	(2.76)	(3.01)	(0.09)	(5.86)
Depreciation	**(7.19)**	**(0.24)**	**(1.59)**	**(9.02)**	(5.67)	(0.21)	(0.78)	(6.66)
Balance as at the end of the year	**28.95**	**12.59**	**5.34**	**46.88**	**22.97**	**12.69**	**4.14**	**39.80**

Notes to standalone financial statements for the year ended March 31, 2026

Following are the changes in carrying value of lease liablities during the year ended

(₹ Crore)

Particulars	March 31	
	2026	2025
Balance as at the beginning of the year	**29.66**	20.50
Additions	**18.73**	19.42
Adjustment	**(3.27)**	(3.81)
Interest cost accrued during the period	**2.90**	1.87
Payments	**(11.51)**	(8.32)
Balance as at the end of the year	**36.51**	**29.66**
Current portion	**16.48**	9.24
Non-current portion	**20.03**	20.42

The maturity analysis of lease liabilities is disclosed in note 43(c). Lease liability has been discounted using the lessee's incremental borrowing rate. There are no variable lease payments.

The following are the amounts recognised in statement of profit and loss during the year ended

(₹ Crore)

Particulars	March 31	
	2026	2025
Depreciation expense of right-of-use assets	**9.02**	6.66
Interest expense on lease liabilities	**2.90**	1.87
Total amount recognised in statement of profit and loss	**11.92**	**8.53**

Operating lease as a lessor

The Company has entered into operating leases on its investment properties consisting of buildings and other related assets. These leases have terms between 36 and 60 months.

Future minimum lease rentals receivable under operating leases are as follows:

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Within 1 year	**46.44**	52.21
Between 1-2 years	**26.64**	22.31
Between 2-3 years	**11.30**	9.41
Between 3-4 years	**1.25**	3.45
Between 4-5 years	**–**	–
More than 5 years	**–**	–
Total	**85.63**	**87.38**

The Company has not entered into any sub-leases during the year.

Notes to standalone financial statements for the year ended March 31, 2026

38 The total research and development expenses incurred by the Company are as under:

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
On capital account	**5.89**	7.23
On revenue account	**4.65**	3.28
Total	**10.54**	**10.51**

39 Disclosure on provisions made, utilised and reversed during the year

i) Provision for warranty

Provision for warranty is on account of warranties given on products sold by the Company. The amount of provision is based on historical information of the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence. The timing and amount of cash flows that will arise from these matters will be determined at the time of receipt of claims. Amount expected to be paid in next 12 months is classified as current.

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Balance as at the beginning of the year	**114.27**	78.86
Additions/(reversal)	**106.34**	97.55
Utilisation	**95.41**	67.75
Unwinding of discount and changes in the discount rate	**4.62**	5.61
Balance as at the end of the year	**129.82**	**114.27**
Classified as non-current	**95.42**	84.36
Classified as current	**34.40**	29.91

ii) Provision for statutory matters

Provisions for statutory matters are on account of legal matters where the Company anticipates probable outflow. The amount of provision is based on estimates made by the Company considering the facts and

Notes to standalone financial statements for the year ended March 31, 2026

circumstances of each case. The timing and amount of cash flows that will arise from these matters will be determined by the relevant authorities only on settlement of these cases.

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Balance as at the beginning of the year	**16.19**	17.66
Additions/(reversal)	**(2.75)**	–
Utilisation	**–**	1.47
Balance as at the end of the year	**13.44**	**16.19**
Classified as non-current	**–**	–
Classified as current	**13.44**	16.19

iii) Provision for New Engine Performance Inspection (NEPI)

Provision for New Engine Performance Inspection (NEPI) is on account of checks to be carried out by the Company at specified intervals. The amount of provision is based on historical information of the nature, frequency and average cost of claims and management estimates regarding possible future incidence. The timing and amount of the cash flows that will arise from these matters will be determined at the time of receipt of claims. Amount expected to be paid in next 12 months is classified as current.

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Balance as at the beginning of the year	**47.52**	40.58
Additions/(reversal)	**5.35**	19.84
Utilisation	**15.88**	15.02
Unwinding of discount and changes in the discount rate	**2.83**	2.12
Balance as at the end of the year	**39.82**	**47.52**
Classified as non-current	**20.30**	26.19
Classified as current	**19.52**	21.33

Notes to standalone financial statements for the year ended March 31, 2026

40 Employee benefit plans

1. Defined contribution plans - The Company has recognised the following amounts in statement of profit and loss for the year:

(₹ Crore)

Particulars	Total
Contribution to employees provident fund	**11.16**
	11.51
Contribution to management superannuation fund	**19.23**
	20.68

2. Defined benefit plans -

The following figures are as per actuarial valuation, as at the balance sheet date, carried out by an independent actuary.

a. Net Balance Sheet position

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
i) Defined benefit obligation	**March 31, 2026**	**344.37**	**29.70**	**2.35**	**2.33**	**508.05**
	March 31, 2025	277.51	32.27	2.59	2.33	454.33
ii) Fair value of Plan assets	**March 31, 2026**	**276.24**	**29.83**	**–**	**–**	**492.83**
	March 31, 2025	241.13	27.97	–	–	454.70
iii) Funded status surplus/(deficit)	**March 31, 2026**	**(68.13)**	**0.13**	**(2.35)**	**(2.33)**	**(15.22)**
	March 31, 2025	(36.38)	(4.30)	(2.59)	(2.33)	0.37
iv) Effect of asset ceiling	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	(0.37)
Net defined benefit asset/(liability)	**March 31, 2026**	**(68.13)**	**0.13**	**(2.35)**	**(2.33)**	**(15.22)**
	March 31, 2025	(36.38)	(4.30)	(2.59)	(2.33)	–

b. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation (DBO)

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
Opening defined benefit obligation	**March 31, 2026**	**277.51**	**32.27**	**2.59**	**2.33**	**454.33**
	March 31, 2025	243.74	29.08	2.52	2.22	402.93
i) Current service cost	**March 31, 2026**	**21.29**	**1.00**	**0.09**	**0.07**	**20.58**
	March 31, 2025	17.01	0.92	0.09	0.07	18.51
ii) Interest cost	**March 31, 2026**	**19.79**	**2.06**	**0.15**	**0.15**	**31.24**
	March 31, 2025	16.67	1.99	0.16	0.15	29.73
iii) Settlement/Curtailment (credit)/cost	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–
iv) Actuarial (gains)/losses - experience changes	**March 31, 2026**	**(15.65)**	**(0.35)**	**0.06**	**0.14**	**5.92**
	March 31, 2025	13.52	0.97	0.12	(0.02)	2.10

Notes to standalone financial statements for the year ended March 31, 2026

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
v) Actuarial (gains)/losses - demographic changes	**March 31, 2026**	**(3.76)**	**0.01**	**(0.10)**	**(0.10)**	**–**
	March 31, 2025	(2.61)	0*	–	–	–
vi) Actuarial (gains)/losses - financial assumptions	**March 31, 2026**	**(18.35)**	**(0.72)**	**(0.05)**	**(0.07)**	**6.33**
	March 31, 2025	9.62	0.55	0.04	0.05	(0.48)
vii) Benefits paid	**March 31, 2026**	**(18.36)**	**(4.57)**	**(0.39)**	**(0.19)**	**(32.26)**
	March 31, 2025	(20.79)	(3.30)	(0.34)	(0.14)	(19.63)
viii) Past service cost - plan amendements	**March 31, 2026**	**83.38**	**–**	**–**	**–**	**–**
	March 31, 2025	–	2.06	–	–	–
ix) Other Adjustments	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–
x) Acquisitions (credit)/cost	**March 31, 2026**	**(1.48)**	**–**	**–**	**–**	**(7.09)**
	March 31, 2025	0.35	–	–	–	(5.81)
xi) Contributions by employees	**March 31, 2026**	**–**	**–**	**–**	**–**	**29.00**
	March 31, 2025	–	–	–	–	26.98
Closing defined benefit obligation	**March 31, 2026**	**344.37**	**29.70**	**2.35**	**2.33**	**508.05**
	March 31, 2025	**277.51**	**32.27**	**2.59**	**2.33**	**454.33**

* Amount is below the rounding off norm adopted by the Company.

c. Reconciliation of opening and closing balances of the fair value of plan assets

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
Opening fair value of plan assets	**March 31, 2026**	**241.13**	**27.97**	**–**	**–**	**454.70**
	March 31, 2025	206.88	28.82	–	–	403.79
i) Interest income on plan assets	**March 31, 2026**	**16.67**	**1.92**	**–**	**–**	**31.27**
	March 31, 2025	14.37	1.98	–	–	29.79
ii) Actual return on plan assets less interest on plan assets	**March 31, 2026**	**1.65**	**0.21**	**–**	**–**	**(3.37)**
	March 31, 2025	2.78	0.22	–	–	1.07
iii) Actuarial gains / (losses)	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–
iv) Contribution by the employer	**March 31, 2026**	**36.62**	**4.30**	**–**	**–**	**20.58**
	March 31, 2025	37.54	0.25	–	–	18.51
v) Benefits paid	**March 31, 2026**	**(18.36)**	**(4.57)**	**–**	**–**	**(32.26)**
	March 31, 2025	(20.79)	(3.30)	–	–	(19.63)

Notes to standalone financial statements for the year ended March 31, 2026

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
vi) Acquisition adjustment	**March 31, 2026**	**(1.48)**	**–**	**–**	**–**	**(7.09)**
	March 31, 2025	0.35	–	–	–	(5.81)
vii) Contribution by employee	**March 31, 2026**	**–**	**–**	**–**	**–**	**29.00**
	March 31, 2025	–	–	–	–	26.98
viii) Other adjustments	**March 31, 2026**	0.01	–	–	–	–
	March 31, 2025	–	–	–	–	–
		–	–	–	–	–
Closing fair value of plan assets	**March 31, 2026**	**276.24**	**29.83**	**–**	**–**	**492.83**
	March 31, 2025	**241.13**	**27.97**	**–**	**–**	**454.70**

d. Total defined benefit cost

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
Current and past service cost	**March 31, 2026**	**104.67**	**1.00**	**0.09**	**0.07**	**20.58**
	March 31, 2025	17.01	2.98	0.09	0.07	18.51
i) Net interest cost	**March 31, 2026**	**3.12**	**0.14**	**0.15**	**0.15**	**–**
	March 31, 2025	2.30	0.01	0.16	0.15	–
ii) Actuarial (gains)/losses recognised in OCI	**March 31, 2026**	**(39.41)**	**(1.28)**	**(0.09)**	**(0.03)**	**15.22**
	March 31, 2025	17.75	1.30	0.16	0.03	–
Total defined benefit cost	**March 31, 2026**	**68.38**	**(0.14)**	**0.15**	**0.19**	**35.80**
	March 31, 2025	**37.06**	**4.29**	**0.41**	**0.25**	**18.51**

e. Statement of profit and loss

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
i) Current and past service cost	**March 31, 2026**	**104.67**	**1.00**	**0.09**	**0.07**	**20.58**
	March 31, 2025	17.01	2.98	0.09	0.07	18.51
ii) Settlement/Curtailment cost/(credit)	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–
iii) Net interest cost	**March 31, 2026**	**3.12**	**0.14**	**0.15**	**0.15**	**–**
	March 31, 2025	2.30	0.01	0.16	0.15	–
Cost recognised in profit and loss	**March 31, 2026**	**107.79**	**1.14**	**0.24**	**0.22**	**20.58**
	March 31, 2025	**19.31**	**2.99**	**0.25**	**0.22**	**18.51**

All of the above have been included in the line 'Company's contribution to provident and other funds', in note 29 of the statement of profit and loss.

Notes to standalone financial statements for the year ended March 31, 2026

f. Other comprehensive income

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
i) Actuarial (gain) / loss due to DBO experience changes	**March 31, 2026**	**(15.65)**	**(0.35)**	**0.06**	**0.14**	**5.92**
	March 31, 2025	13.52	0.97	0.12	(0.02)	2.10
ii) Actuarial (gain) / loss due to assumption change	**March 31, 2026**	**(22.11)**	**(0.72)**	**(0.15)**	**(0.17)**	**6.33**
	March 31, 2025	7.01	0.55	0.04	0.05	(0.48)
iii) Return on plan assets (greater)/ less than discount rate	**March 31, 2026**	**(1.65)**	**(0.21)**	**–**	**–**	**3.37**
	March 31, 2025	(2.78)	(0.22)	–	–	(1.07)
iv) Adjustment to recognize the effect of asset ceiling	**March 31, 2026**	**–**	**–**	**–**	**–**	**(0.40)**
	March 31, 2025	–	–	–	–	(0.55)
Actuarial -gain/loss recognised in OCI	**March 31, 2026**	**(39.41)**	**(1.28)**	**(0.09)**	**(0.03)**	**15.22**
	March 31, 2025	**17.75**	**1.30**	**0.16**	**0.03**	**–**

g. For each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the total plan assets

Particulars	Gratuity		Pension		PF	
	March 31					
	2026	**2025**	**2026**	**2025**	**2026**	**2025**
i) Government of India securities	**0.00%**	0.00%	**0.00%**	0.00%	**43.18%**	43.39%
ii) Debt instruments and related investments/corporate bonds	**0.00%**	0.00%	**0.00%**	0.00%	**42.21%**	41.70%
iii) Special deposit scheme	**0.00%**	0.00%	**0.00%**	0.00%	**0.00%**	0.00%
iv) Insurer managed funds	**100.00%**	100.00%	**100.00%**	100.00%	**0.00%**	0.00%
v) Mutual Funds	**0.00%**	0.00%	**0.00%**	0.00%	**0.00%**	0.00%
vi) Equities and related investments	**0.00%**	0.00%	**0.00%**	0.00%	**14.61%**	14.91%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

The overall expected rate of return on assets is based on the expectations of the average long term rate of return expected on investments of the fund during the estimated term of obligations.

h. Supplementary information as per Ind AS 19

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
i) Expected employer contribution for next year **(₹ Crore)**	**March 31, 2026**	**68.14**	**–**	**–**	**–**	**22.63**
	March 31, 2025	36.40	4.30	–	–	20.36
ii) Weighted average duration of DBO **(Years)**	**March 31, 2026**	**8.51**	**3.50**	**3.95**	**5.50**	**12.86**
	March 31, 2025	8.92	4.00	4.48	6.26	12.55

Notes to standalone financial statements for the year ended March 31, 2026

i. Following are the principal actuarial assumptions used as at the balance sheet date

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
Discount rate	**March 31, 2026**	**7.4%**	**7.4%**	**7.4%**	**7.4%**	**7.4%**
	March 31, 2025	6.8%	6.8%	6.8%	6.8%	6.8%
Expected rate of return on plan assets	**March 31, 2026**	**7.4%**	**7.4%**	**NA**	**NA**	**NA**
	March 31, 2025	6.8%	6.8%	NA	NA	NA
Salary escalation rate - management staff	**March 31, 2026**	**10%**	**NA**	**NA**	**NA**	**NA**
	March 31, 2025	10%	NA	NA	NA	NA
Salary escalation rate - non-management staff	**March 31, 2026**	**8%**	**NA**	**NA**	**NA**	**NA**
	March 31, 2025	8%	NA	NA	NA	NA
Annual increase in healthcare costs - upto 2025	**March 31, 2026**	**NA**	**NA**	**NA**	**6%**	**NA**
	March 31, 2025	NA	NA	NA	8%	NA
Annual increase in healthcare costs - 2026 onwards	**March 31, 2026**	**NA**	**NA**	**NA**	**6%**	**NA**
	March 31, 2025	NA	NA	NA	6%	NA
Guaranteed Rate of Return as declared by EPFO	**March 31, 2026**	**NA**	**NA**	**NA**	**NA**	**8.25%**
	March 31, 2025	NA	NA	NA	NA	8.25%
Mortality rate (in service)	**March 31, 2026**	**Indian Assured Lives Mortality (2012-14) Ult table**				
	March 31, 2025	Indian Assured Lives Mortality (2012-14) Ult table				

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

j. Expected benefit payment for the next years

(₹ Crore)

Particulars	As at	March 31, 2027	March 31, 2028	March 31, 2029	March 31, 2030	March 31, 2031	2032- 2036
		March 31, 2026	March 31, 2027	March 31, 2028	March 31, 2029	March 31, 2030	2031- 2035
Gratuity	**March 31, 2026**	**38.39**	**27.30**	**22.59**	**27.68**	**33.72**	**171.48**
	March 31, 2025	28.26	21.08	21.87	19.11	20.34	138.93
Pension	**March 31, 2026**	**4.45**	**5.54**	**4.46**	**3.78**	**3.47**	**13.96**
	March 31, 2025	3.89	5.09	5.12	4.17	3.54	15.27
Ex-gratia	**March 31, 2026**	**0.80**	**0.36**	**0.32**	**0.29**	**0.36**	**1.32**
	March 31, 2025	0.73	0.44	0.36	0.32	0.30	1.53
PRMB	**March 31, 2026**	**0.44**	**0.28**	**0.30**	**0.31**	**0.31**	**1.52**
	March 31, 2025	0.34	0.24	0.27	0.29	0.29	1.52
PF	**March 31, 2026**	**1.30**	**1.30**	**1.30**	**1.30**	**1.30**	**4.05**
	March 31, 2025	0.51	0.51	0.51	0.51	0.51	1.67

Notes to standalone financial statements for the year ended March 31, 2026

k. A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ Crore)

Assumptions	Discount Rate		Future salary increase		Withdrawal Rate	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	5% increase	5% decrease
Gratuity						
March 31, 2026	**(14.16)**	**15.18**	**14.78**	**(13.94)**	**(16.81)**	**20.18**
March 31, 2025	(11.94)	12.83	12.43	(11.70)	(16.70)	16.29
Pension						
March 31, 2026	**(0.51)**	**0.53**	**NA**	**NA**	**0.04**	**(0.03)**
March 31, 2025	(0.63)	0.66	NA	NA	0.06	(0.03)
Ex-gratia						
March 31, 2026	**(0.04)**	**0.04**	**NA**	**NA**	**(0.41)**	**0.31**
March 31, 2025	(0.05)	0.05	NA	NA	(0.49)	0.25
PF						
March 31, 2026	**(6.83)**	**11.14**	**–**	**–**	**–**	**–**
March 31, 2025	(4.22)	6.50	–	–	–	–

Assumptions	Discount Rate		Medical Inflation		Withdrawal Rate	
Sensitivity level	0.5% increase	0.5% decrease	1% increase	1% decrease	5% increase	5% decrease
PRMB						
March 31, 2026	**(0.06)**	**0.06**	**0.13**	**(0.12)**	**(0.38)**	**0.29**
March 31, 2025	(0.07)	0.07	0.14	(0.13)	(0.44)	0.23

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity anlysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

3. The Company has an obligation for compensated absences amounting to ₹ 107.60 crore (March 31, 2025: ₹ 95.72 crore)

Notes to standalone financial statements for the year ended March 31, 2026

41 Related party disclosures

a) Name of the related party and nature of the relationship where control exists

Name of related party	Nature of relationship
Cummins Inc.	Holding Company
Cummins Sales and Service Private Limited	Subsidiary (Refer Note 46)

b) Transactions with related parties as per the books of accounts during the year ended March 31, 2026

(₹ Crore)

Transaction	Name of related party		Total
Purchase of Goods	Tata Cummins Private Limited	**March 31, 2026**	**1,399.01**
		March 31, 2025	1,379.94
	Cummins Technologies India Private Limited	**March 31, 2026**	**1,317.31**
		March 31, 2025	1,065.28
	Others	**March 31, 2026**	**1,280.95**
		March 31, 2025	1,043.78
Sale of goods	Cummins Limited	**March 31, 2026**	**1,018.25**
		March 31, 2025	841.68
	Cummins Technologies India Private Limited	**March 31, 2026**	**462.73**
		March 31, 2025	411.08
	Others	**March 31, 2026**	**607.16**
		March 31, 2025	616.76
Purchase of assets	Cummins Inc.	**March 31, 2026**	**0.06**
		March 31, 2025	29.83
	Cummins Limited	**March 31, 2026**	**1.05**
		March 31, 2025	4.19
	Cummins Technologies India Private Limited	**March 31, 2026**	**2.07**
		March 31, 2025	3.95
	Others	**March 31, 2026**	**–**
		March 31, 2025	0.00
Sale of assets	Cummins Technologies India Private Limited	**March 31, 2026**	**–**
		March 31, 2025	8.11
	Cummins Power Solutions India Private Limited	**March 31, 2026**	**0.02**
		March 31, 2025	–
Services rendered (Refer note v)	Cummins Technologies India Private Limited	**March 31, 2026**	**225.26**
		March 31, 2025	203.66
	Valvoline Cummins Private Limited	**March 31, 2026**	**86.79**
		March 31, 2025	66.91
	Others	**March 31, 2026**	**68.76**
		March 31, 2025	62.50

Notes to standalone financial statements for the year ended March 31, 2026

(₹ Crore)

Transaction	Name of related party		Total
Services received (Refer note vi)	Cummins Sales and Service Private Limited (Refer Note 46)	**March 31, 2026**	**–**
		March 31, 2025	28.25
	Cummins Technologies India Private Limited	**March 31, 2026**	**48.98**
		March 31, 2025	27.66
	Others	**March 31, 2026**	**4.67**
		March 31, 2025	6.42
Royalty	Cummins Inc.	**March 31, 2026**	**77.94**
		March 31, 2025	70.65
Support services	Cummins Inc.	**March 31, 2026**	**213.01**
		March 31, 2025	102.93
	Cummins Africa Middle East (Pty) Ltd.	**March 31, 2026**	**9.51**
		March 31, 2025	7.66
Reimbursements paid	Cummins Technologies India Private Limited	**March 31, 2026**	**295.20**
		March 31, 2025	137.74
	Cummins Inc.	**March 31, 2026**	**27.77**
		March 31, 2025	18.57
	Others	**March 31, 2026**	**13.33**
		March 31, 2025	19.13
Reimbursements received (Refer note vii)	Cummins Technologies India Private Limited	**March 31, 2026**	**115.65**
		March 31, 2025	111.12
	Cummins Generator Technologies India Private Limited	**March 31, 2026**	**21.56**
		March 31, 2025	20.32
	Cummins Inc.	**March 31, 2026**	**23.06**
		March 31, 2025	17.78
	Others	**March 31, 2026**	**24.75**
		March 31, 2025	22.12
Remuneration paid (Refer note i & iii)	Key management personnel	**March 31, 2026**	**9.79**
		March 31, 2025	16.21
Dividend received	Cummins Generator Technologies India Private Limited	**March 31, 2026**	**117.00**
		March 31, 2025	89.70
	Valvoline Cummins Private Limited	**March 31, 2026**	**99.75**
		March 31, 2025	90.25
Dividend paid	Cummins Inc.	**March 31, 2026**	**756.34**
		March 31, 2025	537.21
Donations paid	Cummins India Foundation	**March 31, 2026**	**37.05**
		March 31, 2025	27.95

Notes to standalone financial statements for the year ended March 31, 2026

(₹ Crore)

Transaction	Name of related party		Total
Contributions paid	Cummins India Limited Officers Provident Fund	**March 31, 2026**	**20.58**
		March 31, 2025	18.51
	Cummins Group Employees Superannuation Scheme	**March 31, 2026**	**19.23**
		March 31, 2025	20.68
	Cummins Group Employees Gratuity Scheme	**March 31, 2026**	**25.34**
		March 31, 2025	24.19
	Cummins India Limited Employees Group Gratuity cum Life Assurance Scheme	**March 31, 2026**	**11.28**
		March 31, 2025	13.35
	Cummins India Limited Workers Group Superannuation Scheme	**March 31, 2026**	**4.30**
		March 31, 2025	0.25
Sitting fees and commission (Refer note i)	Independent Directors	**March 31, 2026**	**1.36**
		March 31, 2025	1.48
Equity contribution - share based payments	Cummins Inc.	**March 31, 2026**	**14.38**
		March 31, 2025	15.23

Notes to standalone financial statements for the year ended March 31, 2026

Amounts outstanding as at March 31, 2026

(₹ Crore)

Transaction	Name of related party		Total
Trade payables	Cummins Technologies India Private Limited	**March 31, 2026**	**423.76**
		March 31, 2025	314.39
	Tata Cummins Private Limited	**March 31, 2026**	**80.95**
		March 31, 2025	151.38
	Cummins Inc.	**March 31, 2026**	**179.69**
		March 31, 2025	195.55
	Others	**March 31, 2026**	**275.11**
		March 31, 2025	227.18
Other current financial/ non-financial liabilities	Cummins Inc.	**March 31, 2026**	**150.48**
		March 31, 2025	110.61
	Others	**March 31, 2026**	**8.72**
		March 31, 2025	6.48
Trade receivables	Cummins Technologies India Private Limited	**March 31, 2026**	**158.63**
		March 31, 2025	134.25
	Cummins Limited	**March 31, 2026**	**150.36**
		March 31, 2025	130.82
	Valvoline Cummins Private Limited	**March 31, 2026**	**52.12**
		March 31, 2025	18.24
	Others	**March 31, 2026**	**119.33**
		March 31, 2025	179.06
Other current financial assets	Cummins Inc.	**March 31, 2026**	**6.91**
		March 31, 2025	8.42
	Tata Cummins Private Limited	**March 31, 2026**	**4.73**
		March 31, 2025	4.55
	Cummins Power Solutions India Private Limited	**March 31, 2026**	**–**
		March 31, 2025	5.16
	Others	**March 31, 2026**	**0.56**
		March 31, 2025	0.10

Notes to standalone financial statements for the year ended March 31, 2026

i) The names of the related parties under the appropriate relationship included in notes 41(b) and (c) above are as follows:

Nature of relationship	Name of the party
Fellow subsidiaries	AxleTech India Private Limited
(with which there are transactions and / or outstanding balances)	Chongqing Cummins Engine Co Ltd
	CMI Group Holdings Cooperatief U.A.
	CMI TR Mtr Guc Sistemleri Satis Servis Ltd Sirketi
	Consolidated Diesel Company
	Cummins (China) Investment Co. Ltd.
	Cummins Africa Middle East (Pty) Ltd.
	Cummins Arabia FZCO
	Cummins Asia Pacific Pte. Ltd.
	Cummins Belgium NV
	Cummins Botswana (Pty) Ltd
	Cummins Brasil Ltda
	Cummins C&G Holding Limited
	Cummins Commercializadora S. de R.L. de C.V.
	Cummins Deutschland GmbH
	Cummins DKSH (Singapore) Pte Ltd
	Cummins DKSH (Thailand) Limited
	Cummins DKSH (Vietnam) LLC
	Cummins East Asia Research and Development Company Ltd.
	Cummins Emission Solutions Inc.
	Cummins Engine (Shanghai) Trading & Services Co., Ltd.
	Cummins France SA
	Cummins Fuel Systems (Wuhan) Co. Ltd.
	Cummins Generator Technologies Limited
	Cummins Ghana Limited
	Cummins Holland B.V.
	Cummins Italia SPA
	Cummins Japan Limited
	Cummins Kuwait Electrical Tools and Equipment Trading and Cont.
	Cummins Limited
	Cummins Maroc SARL
	Cummins Middle East FZE
	Cummins Natural Gas Engines, Inc.
	Cummins Norway AS

Notes to standalone financial statements for the year ended March 31, 2026

Nature of relationship	Name of the party
	Cummins NV
	Cummins Power Generation (China) Co., Ltd.
	Cummins Power Generation Inc.
	Cummins Power Generation Limited
	Cummins Power Generation Limited UK
	Cummins Power Solutions India Private Limited
	Cummins PowerTech India Private Limited
	Cummins Qatar LLC
	Cummins Romania SRL
	Cummins Sales and Service Korea Co Ltd
	Cummins Sales and Service Philippines Inc.
	Cummins Sales and Service Sdn. Bhd.
	Cummins Sales and Service Singapore Pte. Ltd.
	Cummins Saudi Arabia LLC
	Cummins South Africa (Pty.) Ltd.
	Cummins South Pacific Pty Ltd
	Cummins Spain SL
	Cummins Technologies India Private Limited
	Cummins Vendas e Servicos de Motores e Geradores Ltda.
	Cummins West Africa Limited
	Cummins Westport Inc.
	Cummins Zambia Ltd.
	Distribuidora Cummins Centroamerica Costa Rica, S.de R.L.
	Distribuidora Cummins Centroamerica Guatemala Ltda.
	Distribuidora Cummins Centroamerica Honduras, S.de R.L.
	Distribuidora Cummins Chile SA
	Distribuidora Cummins de Panama S. de R.L.
	Distribuidora Cummins Peru SAC
	Distribuidora Cummins S.A.
	Distribuidora Cummins Sucursal Paraguay SRL
	Hydrogenics Europe N.V.
	Komatsu Cummins Chile Ltda.
	Meritor Commercial Vehicle Systems India Private Limited
	Meritor HVS (India) Limited
	Taiwan Cummins Sales & Services Co. Ltd.
	TCPL Green Energy Solutions Private Limited

Notes to standalone financial statements for the year ended March 31, 2026

Nature of relationship	Name of the party
Key management personnel	Ashwath Ram - Managing Director (upto August 31, 2024)
	Shveta Arya - Managing Director (w.e.f. September 1, 2024)
	Ajay Patil - Chief Financial Officer (upto January 9, 2025)
	Prasad S Kulkarni - Interim Chief Financial Officer (w.e.f. January 10, 2025 upto July 20, 2025)
	Soma D Ghosh - Chief Financial Officer (w.e.f. July 21, 2025)
	Vinaya Joshi - Company Secretary
	Jennifer Mary Bush - Chairman of the Board, Non-executive Director
	Donald Jackson - Non-executive Director
	Bonnie Jean Fetch - Non-executive Director (upto May 29, 2025)
	Cornelius O'Sullivan - Non-executive Director (w.e.f. November 8, 2024)
	Thierry Bruno Pimi Nouyeuwe - Non-executive Director (w.e.f. August 9, 2025)
	Independent Directors
	- Nasser Munjee (upto July 31, 2024)
	- Sekhar Natarajan (w.e.f. May 29, 2024)
	- Farokh N Subedar (w.e.f. May 29, 2024)
	- Lira Goswami
	- Rajeev Bakshi (upto July 31, 2024)
	- Rama Bijapurkar (upto June 16, 2025)
	- Vibha Paul Rishi (w.e.f. August 9, 2025)
	- Rekha
Associate and Enterprise with common key management personnel	Cummins Generator Technologies India Private Limited
Joint venture and Enterprise with common key management personnel	Valvoline Cummins Private Limited
Enterprise with common key management personnel	Tata Cummins Private Limited
	Cummins India Foundation
	Caltherm Thermostats Private Limited (upto August 31, 2024)

Notes to standalone financial statements for the year ended March 31, 2026

Nature of relationship	Name of the party
Employees benefit plans where there is significant influence	Cummins India Limited Officers Provident Fund
	Cummins Group Employees Superannuation Scheme
	Cummins India Limited Workers Group Superannuation Scheme
	Cummins Group Employees Gratuity Scheme
	Cummins India Limited Employees Group Gratuity cum Life Assurance Scheme

Terms and conditions of transactions with related parties:

ii) Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

iii) Liability for post employment benefits, other long term benefits, termination benefits and certain short term benefits such as compensated absences is provided on an actuarial basis for the Company as a whole. Accordingly the amount for above pertaining to key management personnel is not ascertainable and, therefore, not included above.

iv) Related party transaction, the amount of which is in excess of 10% of the total related party transactions of the same type are disclosed separately.

v) Services rendered include renting services, testing services, business support services, etc.

vi) Services received include testing services, solution contract support services, license fees, etc.

vii) Includes recoveries on account of employee cost, travel costs, training, IT services, etc.

viii) All transactions entered into with related parties are made on terms equivalent to those that prevail in arm's length transaction.

Notes to standalone financial statements for the year ended March 31, 2026

42 As set out in section 135 of the Companies Act, 2013, the Company is required to contribute ₹ 37.10 Crores (March 31, 2025: ₹ 27.95 Crores) towards Corporate Social Responsibility activities, as calculated basis 2% of its average net profits of the last three financial years. Accordingly, during the current year, the Board has approved and the Company has contributed ₹ 37.05 Crores (March 31, 2025: ₹ 27.95 Crores) to Cummins India Foundation towards eligible projects as mentioned in Schedule VII (including amendments thereto) of the Companies Act, 2013 and ₹ 0.05 Crores (March 31, 2025: ₹ NIL) towards social impact assessment. Apart from the above, the Company has not made any direct expenditure/contributions of capital nature. Unspent contribution amounting to ₹ 0.31 Crores (March 31, 2025: ₹ 1.62 Crores) has been transferred by the Company to a separate bank account as per the requirement.

43 Financial risk management objectives and policies

Financial risk factors:

The Company has well written policies covering specific areas, such as foreign exchange risk and investments which seek to minimise potential adverse effects on the Company's financial performance due to external factors. The Company uses derivatives to hedge foreign exchange risk exposures. The Company's senior management oversees the management of these risks. All derivatives and investment activities for risk management purposes are carried out by specialist team that has appropriate skills, experience and supervision. As per the Company's policy no trading in derivatives for speculation purpose may be undertaken. The Board of Directors reviews and approves policies for managing each of these risks.

The Company's activities are exposed to variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks as follows:

i) Foreign currency risk

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and Euro. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities denominated in a currency that is not the entity's functional currency.

Management has set up a policy to manage their foreign exchange risk against their functional currency. To manage the foreign exchange risk arising from recognised assets and liabilities, the Company uses forward contracts.

Notes to standalone financial statements for the year ended March 31, 2026

The following table demonstrates the sensitivity relating to possible change in foreign currencies with all other variables held constant:

(₹ Crore)

Currency	% change	Effect on profit before tax and pre-tax equity	
		March 31, 2026	**March 31, 2025**
USD	1%	**0.54**	0.52
Euro	1%	**0.12**	0.20
Others	1%	**0.08**	0.18
Total		**0.74**	**0.90**

The movement in the pre-tax effect is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and financial assets and liabilities denominated in various currencies. Although the derivatives have not been designated in a hedge relationship, they act as economic hedge and offset the underlying transactions when they occur.

ii) Interest rate risk

Interest rate risk is the fair value of future cash flows of a financial instrument which fluctuates because of changes in the market interest rates. In order to optimise the Company's position with regards to interest income and interest expense, treasury team manages the interest rate risk by balancing the portion of fixed rate and floating rate in its total portfolio.

The Company has no borrowings as at March 31, 2026 and as at March 31, 2025.

iii) Price risk

The Company invests its surplus funds in mutual funds which are linked to debt markets. The Company is exposed to price risk for investments in mutual funds that are classified as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification and investment in the portfolio is done in accordance with the limits approved by the Board of Directors.

The following table demonstrates the sensitivity relating to possible change in investment value with all other variables held constant:

(₹ Crore)

Currency	**% change**	Effect on profit before tax and pre-tax equity	
		March 31, 2026	March 31, 2025
Mutual funds	0.5%	**6.80**	2.86

Profit after tax for the year would increase / decrease as a result of gains / losses on mutual funds classified as at fair value through profit or loss.

Notes to standalone financial statements for the year ended March 31, 2026

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligation under financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily from trade receivables, contract assets, other receivables, deposits with banks and investments.

Trade receivable and contract assets

Senior management is responsible for managing and analysing the credit risk for each new customer before standard payment, delivery terms and conditions are offered. The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment. The utilisation of credit limits is regularly monitored.

An impairment analysis is performed at each reporting date for all customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 10 and 13 and contract assets.

Other receivables, deposits with banks and investments

Credit risk from balances with banks is managed by the Company's treasury department in accordance with Company's policy approved by the Risk Management Committee. Investments of surplus funds are made within the credit limits and as per the policy approved by the Board of Directors.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance of the above assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 5, 9, 11, 12 and 13.

c) Liquidity risk

Cash flow forecasting is performed by Treasury function. Treasury team monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet the operational needs. Such forecasting takes into consideration the compliance with internal cash management policy.

As per the Company's policy, treasury team invests surplus cash in marketable securities and time deposits with appropriate maturities or sufficient liquidity to provide headroom to meet the operational needs. At the reporting date, the Company held mutual funds of ₹ 1,359.87 Crore (March 31, 2025: ₹ 572.43 Crore) and other liquid assets of ₹ 688.57 Crore (March 31, 2025: ₹ 594.68 Crore) that are expected to readily generate cash inflows for managing liquidity risk.

Notes to standalone financial statements for the year ended March 31, 2026

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ Crore)

As at March 31, 2026	On Demand	Less than 12 months	1-5 years	More than 5 years
Lease liabilities including interest	**–**	**12.02**	**26.41**	**9.16**
Trade payables	**–**	**1,650.01**	**–**	**–**
Royalty and support services	**–**	**159.20**	**–**	**–**
Unpaid dividend	**15.43**	**–**	**–**	**–**
Retention money	**–**	**1.06**	**6.59**	**–**
Deposits	**–**	**–**	**22.81**	**–**
Capital Creditors	**–**	**8.99**	**3.36**	**–**
Others	**–**	**56.82**	**9.04**	**–**

(₹ Crore)

As at March 31, 2025	On Demand	Less than 12 months	1-5 years	More than 5 years
Lease liabilities including interest	–	10.41	21.26	5.85
Trade payables	–	1,568.24	–	–
Royalty and support services	–	98.55	–	–
Unpaid dividend	14.18	–	–	–
Retention money	–	2.43	8.44	–
Deposits	–	–	33.90	–
Capital Creditors	–	63.99	0.87	–
Others	–	38.04	10.26	–

d) Capital management

The Company's objectives when managing capital is to provide maximum returns to shareholders, benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes adjustments in light of changes in economic conditions.

Gearing ratio is not calculated as the Company has Nil borrowings.

Notes to standalone financial statements for the year ended March 31, 2026

44 Fair values

The following table provides a comparison by class of the carrying amounts and fair value of the Company's financial instruments other than those with carrying amounts that are reasonable approximations of fair values.

(₹ Crore)

Particulars	Carrying value		Fair value	
	March 31, 2026	March 31, 2025	**March 31, 2026**	March 31, 2025
Financial assets				
FVTPL of investments in mutual funds & bonds	**1,359.87**	572.43	**1,359.87**	572.43
FVTPL of Foreign exchange forward contracts	**1.27**	2.24	**1.27**	2.24
FVTOCI of investments in quoted Bonds/NCD	**188.56**	359.69	**188.56**	359.69

The Management assessed that the fair values of cash and cash equivalents, other bank balances, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. Fair value of other non-current financial liabilities also approximates it's carrying amount.

The fair value of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of investments in mutual funds is based on the price quotation at the reporting date obtained from the asset management companies. The Company enters into derivative financial instruments with various counterparties, principally financial institutions. Foreign exchange forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method as defined in accounting policy 1c.

(₹ Crore)

Particulars	**Quoted prices in active markets**	**Significant observable inputs**	**Significant unobservable inputs**	**Total**
	Level 1	**Level 2**	**Level 3**	
Financial assets at FVTPL				
Investments in mutual funds & bond				
March 31, 2026	**–**	**1,359.87**	**–**	**1,359.87**
March 31, 2025	–	572.43	–	572.43
Forward contracts assets				
March 31, 2026	**–**	**1.27**	**–**	**1.27**
March 31, 2025	–	2.24	–	2.24
Financial assets at FVTOCI				
Investments in quoted Bonds/NCD				
March 31, 2026	**188.56**	**–**	**–**	**188.56**
March 31, 2025	359.69	–	–	359.69

There has been no transfer between Level 1 and Level 2 during the year.

Notes to standalone financial statements for the year ended March 31, 2026

45 Financial Ratio

No.	Name of the Ratio	Numerator	Denominator	March 31		Variance %	Rationale for Variance >25%
				2026	2025		
1	Current Ratio	Current assets	Current liabilities	3.32	3.12	6.54%	
2	Debt Equity Ratio	Short term debt + Long term debt	Shareholders' funds	NA	NA	NA	
3	Debt Service Coverage Ratio	Net profit after taxes + Depreciation + Interest	Interest + Lease payments + Principal repayments	219.57	180.81	21.44%	
4	Return on Equity Ratio*	Net profits after taxes	Average shareholders funds	32%	29%	10.37%	
5	Inventory Turnover Ratio	Cost of goods sold	Average inventory	7.00	6.73	4.04%	
6	Trade Receivable Turnover Ratio	Revenue from operations (gross)	Average trade receivable	4.81	4.73	1.70%	
7	Trade Payable Turnover Ratio	Net credit purchases	Average trade payable	5.31	4.95	7.12%	
8	Net Capital Turnover Ratio	Revenue from operations (gross)	Current assets - Current liabilities	2.14	2.18	-1.90%	
9	Net Profit Ratio*	Net profits after taxes	Revenue from operations (gross)	20%	18%	6.34%	
10	Return on Capital Employed*	Earning before interest and taxes	Total tangible assets - (Current liabilities + Non-current liabilities)	40%	37%	8.99%	
11	Return on Investment*	Earning before interest and taxes	Total assets	29%	26%	11.24%	

* Exceptional items have been excluded for computation of financial ratios

Notes to standalone financial statements for the year ended March 31, 2026

46 Exceptional items

1. The Government of India, on November 21, 2025, notified the four Labour Codes - Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and Occupational Safety, Health and Working Conditions Code, 2020 - subsuming 29 existing labour laws. The Company has recorded an impact of ₹ 94.20 crore for the year ended March 31, 2026. As this impact is material, regulatory-driven, and non-recurring, the same is presented under "Exceptional Items" in the standalone financial statement for the year ended March 31, 2026. The Company continues to monitor the Central/State Rules and clarifications from the Government on other aspects of the Labour Codes and would provide appropriate accounting effect on the basis of such developments as needed.

2. The Company has sold 100% stake in its wholly owned subsidiary, namely, Cummins Sales & Service Private Limited ("CSSPL") and gain amounting to ₹ 44.15 Cr. has been recorded in the standalone financial statements for the year ended March 31, 2026. Consequent to the transfer of its shares, CSSPL ceased to be a subsidiary of the Company effective April 1, 2025.

47 Segment Information

In accordance with paragraph 4 of Ind AS 108 "Operating segments", the Company has disclosed segment information only on the basis of the consolidated financial statements.

48 Relationship with struck off companies

During the year ended March 31, 2026, the Company has not entered into any transactions with the companies whose names were struck off under applicable regulations.

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

Place: **Mumbai**
Date: **May 27, 2026**

For and on behalf of the Board

Shveta Arya
Managing Director
DIN: 08540723

Farokh Subedar
Director
DIN: 00028428

Vinaya Joshi
Company Secretary
PAN: AMQPJ5216P

Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Place: **Mumbai**
Date: **May 27, 2026**

FY 2025-2026

Consolidated Financial Statements

along with Audit Report

Independent Auditor's Report

To the Members of Cummins India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Cummins India Limited (hereinafter referred to as "the Company"), its associate and joint venture (refer Note 43 to the consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2026, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company, its associate and joint venture as at March 31, 2026, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company, its associate and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition (Refer note 26 and 35 to the consolidated financial statements). Revenue from operations for the year ended March 31, 2026, amounted to ₹ 12,143.19 crores. Revenue is recognised in accordance with the revenue recognition policy described in Note 1A to the consolidated financial statements. Revenue is recognised when (or as) control over promised goods or services is transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The timing of such revenue recognition in the case of sale of goods is when the control over the same is transferred to the customer and in the case of services it is based on satisfaction of performance obligations. The determination of the timing of revenue recognition, whether over time or at a point in time includes management judgement, particularly in determining when control is transferred to the customer. The Company uses a variety of shipment terms with customers, and this has an impact on the timing of revenue recognition. Further, transaction price is generally fixed at inception, and it often includes elements of variable consideration such as discounts and incentives which further impacts revenue recognition. Due to management estimates and judgements involved in determination of the timing of revenue and variable consideration, this is considered as a key audit matter.	Our audit procedures included the following: • Obtained an understanding of the business process, evaluated the design and tested the operating effectiveness of key controls, specific to such customer contracts, including determination of contract price, performance obligations, estimation of contract costs, including management reviews and approvals thereof. • Assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115 "Revenue from Contracts with Customers". • On a sample basis, tested the revenue transactions recorded during the year by verifying the underlying documents to assess whether revenue is recognised appropriately. • Tested, on a sample basis, revenue transactions recorded around the financial year-end date to assess whether revenue is recognised in the correct financial period in which control is transferred. • Tested the contract revenue, determination of performance obligations and determination of transaction price including variable consideration and allocation of transaction price with underlying documents and evaluated management's assessment by reviewing the contractual terms as considered necessary. • Assessed the appropriateness of management's judgements and estimates involved in determination of the timing of revenue recognition and recognition of variable considerations such as discounts and incentives, and verified on a sample basis credits notes issued to the customers. • Examined the journal entries related to revenue recognised during the year based upon specified risk-based criteria.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially

Independent Auditor's Report

misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Company including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the Company and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associate and joint venture are responsible for assessing the ability of the respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective companies or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the Company and of its associate and joint venture are responsible for overseeing the financial reporting process of the respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associate and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Company and its associate and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

11. We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

14. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in the CARO 2020 report issued by us in respect of the standalone financial statements of the Company and its associate and joint venture.

Independent Auditor's Report

15. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except, in case of the Company and its associate, the backup of audit trail (edit log) maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period April 01, 2025 to May 17, 2025, and the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Company as on March 31, 2026 taken on record by the Board of Directors of the Company and audit report of its associate and joint venture incorporated in India, none of the directors of the Company, its associate and joint venture incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above and paragraph 15(h)(vi) below.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Company, its associate and joint venture companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company, its associate and joint venture – Refer Note 36 to the consolidated financial statements.

ii. The Company, its associate and joint venture did not have any long-term contracts including derivative contracts as at March 31, 2026 for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company and its associate incorporated in India during the year ended March 31, 2026. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the joint venture incorporated in India during the year ended March 31, 2026.

Independent Auditor's Report

iv. (a) The respective managements of the Company and its joint venture and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its joint venture or associate to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its joint venture or associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective managements of the Company and its joint venture and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds have been received by the Company or its joint venture or associate from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its joint venture or associate shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid by the Company, its associate and joint venture incorporated in India during the year is in accordance with Section 123 of the Act to the extent it applies to declaration and payment of dividend until the date of this audit report. As stated in Note 17 to the consolidated financial statements, the Board of Directors of the Company has proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting, and is in accordance with Section 123 of the Act, to the extent applicable.

vi. Based on our examination, which included test checks, other than in respect of one joint venture as described below, the Company and its associate has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

The following remark was included in the audit report dated May 18, 2026, containing an unmodified audit opinion on the financial statements of Valvoline Cummins Private Limited, a joint venture of the Company, which is reproduced as under:

Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log of modification does not contain pre-modified values for direct database changes

Independent Auditor's Report

as per designed functionality of accounting software. During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

16. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Further, the provisions of Section 197 read with Schedule V to the Act are applicable only to public companies incorporated in India. Accordingly, reporting under Section 197(16) of the Act is not applicable to the associate and joint venture.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

UDIN: 26127460WWYBNE5861
Place: Mumbai
Date: May 27, 2026

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the Members of Cummins India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2026

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to financial statements of Cummins India Limited (hereinafter referred to as "the Company") and its associate and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Company, its associate and joint venture, to whom reporting under clause (i) of sub-section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system with reference to financial statements.

Annexure A to Independent Auditors' Report

Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company, its associate and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

UDIN: 26127460WWYBNE5861
Place: Mumbai
Date: May 27, 2026

Consolidated Balance Sheet as at March 31, 2026

(₹ Crore)

Particulars	Notes	As at March 31	
		2026	2025
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	**1,320.88**	1,252.51
Capital work-in-progress (including investment property in progress)	2.3	**77.40**	78.16
Right-of-use assets	37	**46.88**	39.80
Investment properties	3	**906.68**	935.15
Intangible assets	2.2	**108.92**	136.20
Intangible assets under development	2.3	**20.31**	6.71
Investments accounted for using the equity method	4.1	**602.09**	550.15
Financial assets			
Investments	4.2	**2.70**	-
Other non-current financial assets	5	**18.20**	14.55
Income tax assets (net)	6	**0.54**	43.83
Other non-current assets	7	**89.43**	102.92
		3,194.03	**3,159.98**
Current assets			
Inventories	8	**1,168.45**	1,004.07
Financial assets			
Investments	9	**1,548.43**	932.12
Trade receivables	10	**2,754.27**	2,277.75
Cash and cash equivalents	11	**500.01**	234.99
Other bank balances	12	**1,874.06**	2,275.30
Other current financial assets	13	**66.77**	57.82
Other current assets	14	**194.59**	138.77
Assets classified as held for sale	15	**3.60**	87.69
		8,110.18	**7,008.51**
TOTAL		**11,304.21**	**10,168.49**

Consolidated Balance Sheet as at March 31, 2026

(₹ Crore)

Particulars	Notes	As at March 31	
		2026	2025
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	**55.44**	55.44
Other equity			
Retained earnings	17	**7,217.08**	6,317.70
Other reserves	17	**1,202.64**	1,188.26
		8,475.16	**7,561.40**
Non-current liabilities			
Financial liabilities			
Lease liabilities	37	**20.03**	20.42
Other non-current financial liabilities	18	**41.80**	53.47
Provisions	19	**208.82**	162.92
Deferred tax liabilities (net)	20	**96.07**	86.21
Other non-current liabilities	21	**22.63**	25.60
		389.35	**348.62**
Current liabilities			
Financial liabilities			
Lease liabilities	37	**16.48**	9.24
Trade payables			
Total outstanding dues of micro and small enterprises	23	**92.66**	68.31
Total outstanding dues of creditors other than micro and small enterprises	23	**1,557.32**	1,498.79
Other current financial liabilities	24	**241.50**	217.19
Current tax liabilities (net)	22	**55.56**	3.16
Other current liabilities	25	**292.25**	267.03
Provisions	19	**183.93**	169.15
Liabilities classified as held for sale	15	**-**	25.60
		2,439.70	**2,258.47**
TOTAL		**11,304.21**	**10,168.49**

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

Place: **Mumbai**
Date: **May 27, 2026**

For and on behalf of the Board

Shveta Arya
Managing Director
DIN: 08540723

Farokh Subedar
Director
DIN: 00028428

Vinaya Joshi
Company Secretary
PAN: AMQPJ5216P

Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Place: **Mumbai**
Date: **May 27, 2026**

Consolidated Statement of Profit and Loss for the year ended March 31, 2026

(₹ Crore)

Particulars	Notes	Year end March 31	
		2026	2025
Revenue from operations	26	**12,143.19**	10,390.69
Other income	27	**517.34**	446.92
Total income		**12,660.53**	**10,837.61**
Expenses:			
Cost of materials consumed	28.1	**6,964.48**	5,911.18
Purchases of traded goods		**809.68**	700.24
Change in inventories of finished goods, work-in-progress and traded goods	28.2	**(105.65)**	(16.56)
Employee benefits expense	29	**794.68**	797.49
Finance costs	30	**12.41**	15.85
Depreciation and amortisation expense	2, 3, 37	**198.56**	185.07
Other expenses	31	**1,085.09**	918.30
Total expenses		**9,759.25**	**8,511.57**
Profit before exceptional items, share of profit of joint venture and associate and tax		**2,901.28**	**2,326.04**
Exceptional items:			
Impact of labour codes	50	**(94.20)**	–
Gain on sale of subsidiary	50	**12.59**	–
Total exceptional items (expense)/income		**(81.61)**	–
Profit after exceptional items before share of profit of joint venture and associate and before tax		**2,819.67**	**2,326.04**
Share of profit of joint venture and associate after tax		**266.28**	266.77
Profit before tax		**3,085.95**	**2,592.81**
Tax expense			
Current tax	20	**706.37**	598.05
Deferred tax	20	**5.27**	(4.05)
Tax for earlier years	20	**12.56**	(1.13)
Total tax expense		**724.20**	**592.87**
Profit after tax		**2,361.75**	**1,999.94**

Consolidated Statement of Profit and Loss for the year ended March 31, 2026

(₹ Crore)

Particulars	Notes	Year end March 31	
		2026	2025
Other Comprehensive Income (OCI)			
Items not to be reclassified to profit or loss in subsequent periods			
Remeasurement (loss)/gain on defined benefit plans		**25.59**	(19.30)
Income tax effect		**(6.44)**	4.86
Items to be reclassified to profit or loss in subsequent periods			
Changes in the fair value of financial instruments		**(1.21)**	2.27
Income tax effect		**0.30**	(0.57)
Other comprehensive (expense)/income, net of tax		**18.24**	**(12.74)**
Share in joint venture's and associate's OCI after tax (net) not to be reclassified to profit or loss in subsequent periods		**2.41**	0.01
Total Other comprehensive (expense)/income for the year, net of tax		**20.65**	**(12.73)**
Total comprehensive income for the year, net of tax		**2,382.40**	**1,987.21**
Earnings per equity share:			
Basic and diluted earnings per share (₹)	32	**85.20**	72.15
(Nominal value per share ₹ 2)			

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

Place: **Mumbai**
Date: **May 27, 2026**

For and on behalf of the Board

Shveta Arya
Managing Director
DIN: 08540723

Farokh Subedar
Director
DIN: 00028428

Vinaya Joshi
Company Secretary
PAN: AMQPJ5216P

Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Place: **Mumbai**
Date: **May 27, 2026**

Consolidated Statement of Cash Flows for the year ended March 31, 2026

(₹ Crore)

Particulars		Year ended March 31	
		2026	2025
I.	**Cash generated from operating activities**		
	Profit before tax	**3,085.95**	2,592.81
a)	**Adjustments to reconcile profit before tax to net cash flows**		
	Depreciation and amortisation expense	**198.56**	185.07
	Finance costs	**12.41**	15.85
	Interest income	**(188.50)**	(169.34)
	Loss/(gain) on assets sold, discarded, etc.	**0.15**	(6.21)
	(Gain)/loss on redemption/sale of investments (net)	**(74.84)**	(45.91)
	Equity contribution from Holding company	**14.38**	15.23
	Unrealised foreign exchange fluctuation (net)	**(1.77)**	5.41
	Mark to market ('MTM') of financial instruments	**2.33**	(2.24)
	Allowance for doubtful debts (net)	**(0.43)**	5.83
	Share of profit of joint venture and associate	**(266.28)**	(266.77)
	Exceptional Items (Note 50)	**81.61**	–
		(222.38)	**(263.08)**
b)	**Working capital adjustments**		
	Trade receivables	**(460.10)**	(237.96)
	Inventories	**(146.21)**	(83.90)
	Current and non-current financial assets	**(14.93)**	(19.64)
	Other current and non-current assets	**(49.43)**	8.80
	Trade payables	**57.87**	177.81
	Current and non-current financial liabilities	**63.90**	67.39
	Other current and non-current liabilities	**63.23**	(6.39)
	Current and non-current provisions	**(17.42)**	21.78
		(503.09)	**(72.11)**
	Total adjustments (a+b)	**(725.47)**	**(335.19)**
	Cash generated from operating activities	**2,360.48**	2,257.62
	Tax paid (net of refunds)	**(626.22)**	(575.03)
	Net cash generated from operating activities	**1,734.26**	**1,682.59**
II.	**Cash flows (used in)/from investing activities**		
	Purchase of property, plant and equipment, intangible assets and investment property	**(251.71)**	(226.04)
	Proceeds from sale of property, plant and equipment	**4.34**	8.11
	Interest received	**188.50**	169.28
	Dividend received on investments in associate and joint venture	**216.75**	179.95
	Advance received for sale of investment in subsidiary	**-**	56.50
	Purchase of short term investments	**(4,787.53)**	(4,205.30)
	Sale of short term investments	**4,244.85**	4,499.55
	Sale/(Purchase) of long term investments (net)	**(2.70)**	-
	Investment in Term Deposits (including interest)	**(1,937.67)**	(2,296.78)
	Withdrawal of Term Deposits (including interest)	**2,340.16**	1,235.28
	Net cash (used in)/from investing activities	**14.99**	**(579.45)**

Consolidated Statement of Cash Flows for the year ended March 31, 2026

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
III. Cash flows (used in)/from financing activities		
Proceeds from borrowings/repayment of borrowings (net)	**-**	(100.00)
Finance costs	**(2.92)**	(5.86)
Payment of principal portion of lease liabilities	**(9.11)**	(8.74)
Dividend paid (including tax on dividend)	**(1,483.02)**	(1,053.36)
Net cash (used in)/from financing activities	**(1,495.05)**	**(1,167.96)**
IV. Net change in cash and cash equivalents (I+II+III)	**254.20**	**(64.82)**
V. Net foreign exchange difference	**10.82**	1.68
VI. Cash and cash equivalents at the beginning of the year	**234.99***	299.89
VII. Cash and cash equivalents at the end of the year (IV+V+VI)	**500.01**	**236.75**
Components of cash and cash equivalents		
Cash on hand	**-**	0.01
Bank balances		
In current accounts	**112.03**	93.70
Deposits (original maturity less than 3 months)		
Banks	**90.01**	143.04
Certificate of Deposit	**297.97**	-
Cheque in hand	**-**	-
Total cash and cash equivalents (Refer note 11)	**500.01**	**236.75***

* The closing cash and cash equivalents reported in the Statement of Cash Flows as at March 31, 2025 included ₹ 1.76 crore pertaining to the subsidiary classified as held for sale. The subsidiary was sold effective April 01, 2025, and accordingly, its cash and cash equivalents is excluded from the opening cash and cash equivalents as at April 01, 2025.

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

Place: **Mumbai**
Date: **May 27, 2026**

For and on behalf of the Board

Shveta Arya
Managing Director
DIN: 08540723

Farokh Subedar
Director
DIN: 00028428

Vinaya Joshi
Company Secretary
PAN: AMQPJ5216P

Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Place: **Mumbai**
Date: **May 27, 2026**

Consolidated Statement of Changes in Equity for the year ended March 31, 2026

A) Equity share capital

Particulars	(₹ Crore)
As at April 1, 2024	55.44
Changes in equity share capital during the year ended March 31, 2025	–
As at March 31, 2025	55.44
Changes in equity share capital during the year ended March 31, 2026	–
As at March 31, 2026	**55.44**

Consolidated Statement of Changes in Equity for the year ended March 31, 2026

B) Other equity

(₹ Crore)

Particulars	Retained earnings (Refer note 17)		Other reserves (Refer note 17)			Total
	Statement of profit and loss	Other comprehensive income (OCI)	General reserve	Capital redemption reserve	Equity contribution from Cummins Inc. - share based payments*	
Balance as at April 1, 2024	5,437.73	(53.88)	1,142.02	0.70	30.31	6,556.88
Add: Profit for the year	1,999.94	-	-	-	-	1,999.94
Add/(Less): Other comprehensive income						-
- Items not to be reclassified to profit or loss in subsequent periods	-	(14.43)	-	-	-	(14.43)
- Items to be reclassified to profit or loss in subsequent periods	-	1.70	-	-	-	1.70
Total comprehensive income for the year	**1,999.94**	**(12.73)**	**-**	**-**	**-**	**1,987.21**
Add: Equity contribution during the year	-	-	-	-	15.23	15.23
Less: Dividends paid						
- Interim dividend	498.96	-	-	-	-	498.96
- Final dividend for FY 2023-2024	554.40	-	-	-	-	554.40
Balance as at March 31, 2025	**6,384.31**	**(66.61)**	**1,142.02**	**0.70**	**45.54**	**7,505.96**
Add: Profit for the year	2,361.75	-	-	-	-	2,361.75
Add/(Less): Other comprehensive income						-
- Items not to be reclassified to profit or loss in subsequent periods	-	21.56	-	-	-	21.56
- Items to be reclassified to profit or loss in subsequent periods	-	(0.91)	-	-	-	(0.91)
Total comprehensive income for the year	**2,361.75**	**20.65**	**-**	**-**	**-**	**2,382.40**
Add: Equity contribution during the year	-	-	-	-	14.38	14.38
Less: Dividends paid						
- Interim dividend	554.40	-	-	-	-	554.40
- Final dividend for FY 2024-2025	928.62	-	-	-	-	928.62
Balance as at March 31, 2026	**7,263.04**	**(45.96)**	**1,142.02**	**0.70**	**59.92**	**8,419.72**

* Scheme managed and administered by the Holding Company.

The accompanying notes are an integral part of these consolidated financial statements.
As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

Place: **Mumbai**
Date: **May 27, 2026**

For and on behalf of the Board

Shveta Arya
Managing Director
DIN: 08540723

Farokh Subedar
Director
DIN: 00028428

Vinaya Joshi
Company Secretary
PAN: AMQPJ5216P

Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Place: **Mumbai**
Date: **May 27, 2026**

Notes to consolidated financial statements for the year ended March 31, 2026

1A Material accounting policy information

a) Corporate information

The consolidated financial statements comprise the financial statements of Cummins India Limited ('CIL' or 'the Company') and its subsidiary (together referred to as 'the Group') (Refer Note 50). The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Cummins India Office Campus, Balewadi, Pune. The Group is principally engaged in the business of manufacturing, trading and selling of engines and allied activities.

The consolidated financial statements of the Group for the year ended March 31, 2026 were authorised for issue in accordance with the resolution of the directors on May 27, 2026.

b) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of division II of schedule III to the Companies Act, 2013 (Ind AS compliant schedule III).

The consolidated financial statements are prepared on a historical cost basis, except for the following assets and liabilities:

- certain financial assets and financial liabilities (including derivative instruments) which have been measured at fair value;
- assets held for sale are measured at lower of carrying amount or fair value less cost to sell;
- defined benefit plans - Plan assets are measured at fair value.

All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Principles of consolidation

i) Subsidiaries

Subsidiaries are consolidated from the date on which control is transferred to the Group and are not consolidated from the date that control ceases. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidation procedure: The financial statements of the Company and its subsidiary have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Intra-group balances and intra-group transactions and resulting unrealised profits/losses have been eliminated. Ind AS 12,

Notes to consolidated financial statements for the year ended March 31, 2026

Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting form intra-group transactions.

Profit or loss on each component of OCI are attributed to the equity holders of parent of the Group.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e. year end on March 31.

ii) Associates and Joint Ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Investments in associates and joint venture companies have been accounted for by using the equity method of accounting whereby the investment is initially recorded at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition changes in the investor's share of net assets of the associate or joint venture.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate and joint venture are eliminated to the extent of the interest in the associate or joint venture. If an entities share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate and joint venture. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retaining investment and proceeds from disposal is recognised in Statement of Profit and Loss.

Notes to consolidated financial statements for the year ended March 31, 2026

The list of entities included in consolidation, relationship with CIL and CIL's shareholding therein is as under:

Name of the Company	March 31, 2026		March 31, 2025	
	Relationship	**Shareholding**	Relationship	Shareholding
Cummins Sales & Service Private Limited (Formerly known as "Cummins SVAM Sales & Service Private Limited") (Refer Note 50)	–	–	Subsidiary	100%
Valvoline Cummins Private Limited	Joint Venture	50%	Joint Venture	50%
Cummins Generator Technologies India Private Limited	Associate	48.74%	Associate	48.74%

All the above entities are incorporated in India.

d) Fair value Measurements

The Group measures financial instruments at fair value on initial recognition and at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability; or
ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes to consolidated financial statements for the year ended March 31, 2026

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re- assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Other fair value related disclosures are given in the relevant notes:

Disclosures for valuation methods, significant estimates and assumptions	Note 35 and 47
Financial instruments (including those carried at amortised cost)	Note 4, 5, 9 to 13
Investment Properties	Note 3

e) Property, plant and equipment and investment properties

Property plant and equipment, capital work in progress and investment properties are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All costs relating to the acquisition and installation of property plant and equipment/investment properties are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Profit and Loss during the financial year in which they are incurred.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Depreciation is computed on straight line method based on useful lives, determined based on internal technical evaluation, as follows:

Assets	Useful life
Roads	10 years
Office building and investment properties	upto 60 years
Factory building	30 years
Plant and machinery	3 to 15 years
Furniture and fittings	5 to 10 years
Vehicles	8 to 9 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Freehold land is carried at cost. Losses arising from the retirement of, and gains and losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

Leasehold improvements are depreciated on straight line basis over the period of lease or their useful life, whichever is less.

Notes to consolidated financial statements for the year ended March 31, 2026

Transfers are made to investment properties only when there is a change in use. Transfers between investment property and owner-occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

f) Intangible assets

Intangible assets a cquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets with finite useful life are amortised on straight line basis over their respective useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Softwares are amortised over a period of useful lives from the date available for use (3-5 years), being the estimated useful life as per the management estimate or license term whichever is less. The amortisation period for an intangible asset with finite useful life is reviewed atleast at the end of each reporting period.

Technical know-how represents proprietary technology and manufacturing expertise that is expected to generate future economic benefits over 7 years, being the estimated useful life as per the management estimate and is accordingly recognised as an intangible asset.

Losses arising from the retirement of, and gains and losses arising from disposal of intangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

g) Inventories

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence.
Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Material cost is determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Material in transit is valued at cost incurred till date.

h) Foreign currency transactions

The Group's consolidated financial statements are presented in INR (₹), which is also CIL and subsidiary's functional currency.

Transactions in foreign currencies are accounted at the functional currency spot rates prevailing on the date of transactions. Monetary foreign currency financial assets and liabilities are translated at functional currency spot rates of exchange at the reporting date. The resulting exchange differences are appropriately recognised in the Statement of Profit and Loss.

Notes to consolidated financial statements for the year ended March 31, 2026

Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non - monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non- monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item.

i) Revenue recognition

i) Revenue from sale of products

Revenue from contracts with customers for sale of products is recognised, generally at a point in time, when control of the goods is transferred to the customer at an amount that reflects the transaction price which is the consideration that the Group expects to be entitled in exchange for those goods, excluding taxes or duties collected on behalf of the government e.g. goods and service tax (GST). The Group has generally concluded that it is the principal in its revenue arrangements.

ii) Rebates and discounts

The Group provides retrospective rebates to certain customers once customers meet specified contractual conditions such as purchase volumes, payment timelines, etc. Rebates are offset against amounts payable by the customer and are reduced from revenue. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single threshold and the expected value method for contracts with multiple thresholds. The selected method that best predicts the amount of variable consideration is primarily driven by the structure and number of thresholds within the contract.

iii) Warranty obligations

The Group typically provides warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

iv) Sale of services - installation services

The Group provides installation services that can be either sold separately or bundled together with the sale of products to a customer. The installation services can be obtained from other providers and do not significantly customise or modify the product sold.

Contracts for bundled sales of products and installation services are comprised of two performance obligations because the promises to transfer products and provide installation services are capable of being distinct and separately identifiable. Accordingly, the Group allocates the transaction price based on the relative standalone selling prices of the products and installation services.

The Group recognises revenue from installation services over time, using an output method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group. Revenue from sale of products is recognised at a point in time, generally upon delivery of the products.

Notes to consolidated financial statements for the year ended March 31, 2026

v) Sale of services - service contracts

The Group has long-term service contracts with customers. Revenue from service contracts is recognised over time i.e based on the proportionate completion method. Completion is determined as a proportion of costs incurred till date to the total estimated contract costs. Provision is made for any loss in the period in which it is foreseen. The Group considers that this method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under Ind AS 115.

In case of other service contracts, revenue is recognized over time, using input/output method, when services are rendered and on receipt of confirmation from customers, as the case may be.

vi) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays the consideration or before payment is due, a contract asset is recognised for the earned consideration.

vii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due when billing has been done) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

viii) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

j) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Notes to consolidated financial statements for the year ended March 31, 2026

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section "o" impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of offices and warehouses. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising on such leases is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

k) Employee benefits

The Group operates following post-employment schemes, including both defined benefit and defined contribution plans.

A) Post-employment benefits

i) Defined contribution plans:

A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current

Notes to consolidated financial statements for the year ended March 31, 2026

and prior periods. The Group has defined contribution plans for post employment benefits in the form of superannuation fund for management employees and provident fund for non management employees which is administered by Life Insurance Corporation of India/Regional Provident Fund Commissioner. In case of superannuation fund for management employees and provident fund for non management employees, the Group has no further obligation beyond making the contributions. The contributions are accounted for as employee benefit expense when they are due. Prepaid contribution is recognised as an asset to the extent cash refund or reduction in future contribution is available.

ii) Defined benefit plans:

Funded Plan: The Group has defined benefit plans for post-employment benefits in the form of gratuity for all employees, pension for non management employees and provident fund for management employees which are administered through Group managed trust/Life Insurance Corporation of India.

Unfunded Plan: The Group has unfunded defined benefit plans in the form of post retirement medical benefits (PRMB) and Ex-gratia benefits as per the policy of the Group.

Liability for above defined benefit plans is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is Projected Unit Credit method. In case of provident fund for management employees, the Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group's contributions and such shortfall are charged to the Statement of Profit and Loss as and when incurred.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated Statement of Profit and Loss:

- Service costs comprising current Service costs, past-Service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

B) Other employee benefit (unfunded):

Liability for compensated absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The Actuarial valuation method used for measuring the liability is Projected Unit Credit method. Under this method, projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for active members of the plan. The "projected accrued benefit " is based on the plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the "projected accrued benefits" as of the beginning of the year for active members.

Notes to consolidated financial statements for the year ended March 31, 2026

Termination benefits are recognized as an expense as and when incurred.

The present value of defined benefit obligation denominated in INR (₹) is determined by discounting the estimated future cash flows by reference to the market yield at the end of the reporting period on the government bonds that have terms approximately equal to the terms of the related obligation.

l) Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit (7 years). Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

m) Income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing and applicable for the relevant assessment year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income taxes are recognised for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases in the consolidated financial statements. The effect on deferred tax assets and liabilities of a change in the tax rates is recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Notes to consolidated financial statements for the year ended March 31, 2026

n) Provisions and contingent liabilities

A provision is recognised when there is a present legal or constructive obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made where there is a possible obligation arising out of past event, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation arising out of past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

o) Impairment of non financial assets

The Group tests non financial assets for impairment at the close of the accounting period if and only if there are indications that suggest a possible reduction in the recoverable value of an asset. If the recoverable value of an asset, i.e. the net realizable value or the economic value in use of a cash generating unit, is lower than the carrying amount of the asset, the difference is provided for as impairment. However, if subsequently the position reverses and the recoverable amount becomes higher than the then carrying value the provision to the extent of the then difference is reversed, but not higher than the amount provided for.

p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

q) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, it is either recorded as deferred income and is recognised as income on a systematic and rational basis over the useful life of the asset, or adjusted against the cost of the asset.

When the Group receives non-monetary grants, the asset and the grant are recorded at fair value and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Notes to consolidated financial statements for the year ended March 31, 2026

r) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component are measured at transaction price. For all subsequent measurements financial assets are classified in following categories:

A) Debt instruments

i) Debt instruments at amortised cost: Debt instrument is measured at amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flow that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Group. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees for cost that are an integral part of the EIR. EIR amortisation is included in other income in the Statement of Profit and Loss. This category generally applies to loans and trade and other receivables.

ii) Debt instruments fair value through OCI (FVTOCI): Debt instrument is classified as FVTOCI if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses).

iii) Debt instruments at fair value through profit and loss (FVTPL): Debt instruments not classified as amortised cost or FVTOCI are classified as FVTPL. The Group has not classified any debt under this category.

B) Equity instruments

Equity instruments held for trading are classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in OCI the subsequent changes in fair value. The Group makes such election on an instrument by instrument basis. If the Group decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends are recognized in OCI. There is no recycling of the amount from OCI to Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity.

The Group has elected to present all equity instruments, other than those in joint ventures and associate, through FVTPL and all subsequent changes are recognized in Statement of Profit and Loss.

Notes to consolidated financial statements for the year ended March 31, 2026

C) Derecognition

A financial asset (or wherever applicable, a part of the financial asset or part of a Group of similar financial assets) is primarily derecognized when the rights to receive cash flow from the assets have expired or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flow in full to a third party under a pass through arrangement and either a) the Group has transferred substantially all risks and rewards of the asset or b) has transferred control of the asset.

D) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss (allowance for doubtful debts) and credit risk exposure on the financial assets that are debt instruments measured at amortised costs e.g. loans, deposits, trade receivables, lease receivable and bank balances.

The Group follows simplified approach for recognition of impairment loss allowance on trade receivables and lease receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather it recognizes impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period the credit risk reduces since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

As a practical expedient, the Group uses a provision matrix, based on the age of the receivables classified into various age buckets, to determine impairment loss allowance on portfolio of its trade receivables. The matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed. The Group has presumed that default doesn't occur later than when a financial asset is 90 days past due.

Impairment loss allowance including ECL or reversal recognized during the period is recognized as income/ expense in Statement of Profit and Loss . This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The impairment loss is presented as an allowance in the balance sheet as a reduction from the net carrying amount of the trade receivable, loan, deposits and lease receivable respectively.

Financial liabilities

All financial liabilities are initially recognised at fair value. The Group's financial liabilities include trade and other payables, other financial liabilities, loans and borrowings and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification as FVTPL or at amortised cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After

Notes to consolidated financial statements for the year ended March 31, 2026

initial recognition the financial liabilities are measured at amortised cost using EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortisation is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognized in Statement of Profit or Loss.

Derivatives

The Group uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered and are subsequently re measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

Embedded derivatives: An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the FVTPL category.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of Profit and Loss, unless designated as effective hedging instruments.

Reclassification of financial instruments

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Group reclassifies the financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model.

Notes to consolidated financial statements for the year ended March 31, 2026

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s) Dividend distribution

The Group recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group.

1B Other accounting policies

a) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

b) Earning per Share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

c) Other income

i) Interest income is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross amount of the financial asset or to the amortised cost of a financial liability. When calculating EIR the Group, estimates the expected cash flows by considering all the contractual terms of the financial instrument but doesn't consider the expected credit losses. Interest income is included in Other Income in the Statement of Profit and Loss.

ii) Rental income is recognised on straight-line basis over the lease term, other than escalations on account of inflation.

iii) Dividend income from investments is recognised when the right to receive payment is established.

Notes to consolidated financial statements for the year ended March 31, 2026

2.1 Property, Plant and Equipment (PPE)

(₹ Crore)

Particulars	Gross block					Accumulated Depreciation and Amortisation					Net block
	As at April 1, 2025	Additions	Adjust-ment**	Deductions/ Write-off	As at March 31, 2026	As at April 1, 2025	For the year	Adjust-ment**	Deductions/ Write-off	As at March 31, 2026	As at March 31, 2026
Freehold land @	29.69	–	(0.36)	–	**29.33**	–	–	–	–	**–**	**29.33**
Leasehold improvements	11.60	–	–	–	**11.60**	0.97	0.16	–	–	**1.13**	**10.47**
Roads	34.88	1.01	–	–	**35.89**	24.57	0.90	–	–	**25.47**	**10.42**
Buildings #	836.35	25.25	(2.11)	0.07	**859.42**	201.05	20.45	2.21	0.02	**223.69**	**635.73**
Plant and machinery #	1,281.01	163.84	6.91	58.83	**1,392.93**	728.15	94.64	4.88	54.66	**773.01**	**619.92**
Furniture and fittings #	50.98	4.00	(0.24)	0.92	**53.82**	38.94	2.47	0.22	0.92	**40.71**	**13.11**
Vehicles	5.06	0.69	(0.56)	0.26	**4.93**	3.38	0.36	(0.46)	0.25	**3.03**	**1.90**
	2,249.57	**194.79**	**3.64**	**60.08**	**2,387.92**	**997.06**	**118.98**	**6.85**	**55.85**	**1,067.04**	**1,320.88**

2.2 Intangible assets

(₹ Crore)

Particulars	Gross block					Accumulated Depreciation and Amortisation					Net block
	As at April 1, 2025	Additions	Adjust-ment**	Deductions/ Write-off	As at March 31, 2026	As at April 1, 2025	For the year	Adjust-ment**	Deductions/ Write-off	As at March 31, 2026	As at March 31, 2026
Software	22.81	2.42	(0.01)	–	**25.22**	11.94	3.81	–	–	**15.75**	**9.47**
Technical knowhow	149.94	–	–	–	**149.94**	47.00	17.27	–	–	**64.27**	**85.67**
Development cost	48.25	–	–	–	**48.25**	25.86	8.61	–	–	**34.47**	**13.78**
	221.00	**2.42**	**(0.01)**	**–**	**223.41**	**84.80**	**29.69**	**–**	**–**	**114.49**	**108.92**

Notes to consolidated financial statements for the year ended March 31, 2026

2.3 Capital work-in-progress (including investment property in progress) and intangible assets under development

(₹ Crore)

Particulars	As at April 1, 2025	Additions	Capitalisation			Total Capitalisation	As at March 31, 2026
			PPE	Intangible assets	Investment properties		
Capital work-in-progress	78.16	203.61	194.79	–	9.58	204.37	**77.40**
Intangible assets under development	6.71	16.02	–	2.42	–	2.42	**20.31**
	84.87	**219.63**	**194.79**	**2.42**	**9.58**	**206.79**	**97.71**

2.4 Capital work-in-progress (including investment property in progress) and intangible assets under development aging schedule*

(₹ Crore)

Projects in progress	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	76.97	–	–	0.43	**77.40**
Intangible assets under development	19.74	0.57	–	–	**20.31**
	96.71	**0.57**	**-**	**0.43**	**97.71**

* Capital work-in-progress includes projects amounting to ₹ 0.43 Crore whose completion is overdue on account of procedural delays and will be completed in the next 1 year.

NOTES:

@ 1) Includes reservations by Pune Municipal Corporation for Economically Weaker Section (EWS) and Road.

2) Includes undivided share of land, on purchase of office premises.

** includes reclassification from / to assets held for sale

Includes certain assets given on cancellable/ non-cancellable operating lease

Notes to consolidated financial statements for the year ended March 31, 2026

2.1 Property, Plant and Equipment (PPE)

(₹ Crore)

Particulars	Gross block					Accumulated Depreciation and Amortisation					Net block
	As at April 1, 2024	Additions	Adjust-ment**	Deductions/ Write-off	As at March 31, 2025	As at April 1, 2024	For the year	Adjust-ment**	Deductions/ Write-off	As at March 31, 2025	As at March 31, 2025
Freehold land @	29.69	–	–	–	29.69	–	–	–	–	–	29.69
Leasehold improvements	12.21	0.21	(0.82)	–	11.60	1.26	0.25	(0.54)	–	0.97	10.63
Roads	32.02	2.86	–	–	34.88	23.84	0.73	–	–	24.57	10.31
Buildings #	807.82	33.41	(4.61)	0.27	836.35	182.06	18.95	0.20	0.16	201.05	635.30
Plant and machinery #	1,184.99	166.60	(15.17)	55.41	1,281.01	713.97	84.58	(17.01)	53.39	728.15	552.86
Furniture and fittings #	50.69	3.22	(2.77)	0.16	50.98	38.92	2.78	(2.61)	0.15	38.94	12.04
Vehicles	5.13	0.91	(0.33)	0.65	5.06	3.62	0.31	(0.06)	0.49	3.38	1.68
	2,122.55	**207.21**	**(23.70)**	**56.49**	**2,249.57**	**963.67**	**107.60**	**(20.02)**	**54.19**	**997.06**	**1,252.51**

2.2 Intangible assets

(₹ Crore)

Particulars	Gross block					Accumulated Depreciation and Amortisation					Net block
	As at April 1, 2024	Additions	Adjust-ment**	Deductions/ Write-off	As at March 31, 2025	As at April 1, 2024	For the year	Adjust-ment**	Deductions/ Write-off	As at March 31, 2025	As at March 31, 2025
Software	18.62	5.83	(1.62)	0.02	22.81	10.82	2.71	(1.59)	–	11.94	10.87
Technical knowhow	121.60	28.34	–	–	149.94	29.00	18.00	–	–	47.00	102.94
Development cost	48.25	–	–	–	48.25	18.97	6.89	–	–	25.86	22.39
	188.47	**34.17**	**(1.62)**	**0.02**	**221.00**	**58.79**	**27.60**	**(1.59)**	**–**	**84.80**	**136.20**

Notes to consolidated financial statements for the year ended March 31, 2026

2.3 Capital work-in-progress (including investment property in progress) and intangible assets under development

(₹ Crore)

Particulars	As at April 1, 2024	Additions	Capitalisation			Total Capitalisation	As at March 31, 2025
			PPE	Intangible assets	Investment properties		
Capital work-in-progress	94.65	190.34	206.72	-	0.11	206.83	78.16
Intangible assets under development	2.16	38.69	-	34.14	-	34.14	6.71
	96.81	**229.03**	**206.72**	**34.14**	**0.11**	**240.97**	**84.87**

2.4 Capital work-in-progress (including investment property in progress) and intangible assets under development aging schedule*

(₹ Crore)

Projects in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	70.79	6.30	0.17	0.90	78.16
Intangible assets under development	6.71	-	-	-	6.71
	77.50	**6.30**	**0.17**	**0.90**	**84.87**

* Capital work-in-progress includes projects amounting to ₹ 0.90 Crore whose completion is overdue on account of procedural delays and will be completed in the next 1 year.

NOTES:

@ 1) Includes reservations by Pune Municipal Corporation for Economically Weaker Section (EWS) and Road.

2) Includes undivided share of land, on purchase of office premises.

** includes reclassification from assets held for sale and to investment properties (Refer note 3)

Includes certain assets given on cancellable/ non-cancellable operating lease

Notes to consolidated financial statements for the year ended March 31, 2026

3 Investment properties

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Gross block		
Opening balance	**1,261.34**	1,261.23
Additions	**9.58**	0.11
Deductions	**–**	–
Re-classification from property, plant and equipment	**5.28**	–
Closing balance	**1,276.20**	**1,261.34**
Accumulated Depreciation		
Opening balance	**326.19**	283.92
Depreciation	**42.46**	42.27
Deductions	**–**	–
Re-classification from property, plant and equipment	**0.87**	–
Closing balance	**369.52**	**326.19**
Net block	**906.68**	**935.15**

Information regarding income and expenditure of investment properties

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Rental income derived from investment properties	**154.33**	145.57
Direct operating expenses (including repairs and maintenance) generating rental income	**11.51**	11.48
Profit arising from investment properties before depreciation and indirect expenses	**142.82**	**134.09**
Less: Depreciation	**42.46**	42.27
Profit arising from investment properties before indirect expenses	**100.36**	**91.82**

The investment properties consist of office premises and plants. As at March 31, 2026 the fair value of the properties is ₹ 1,485.52 Crore (As at March 31, 2025: ₹ 1,451.55 Crore). These fair values are based on valuations performed by a registered valuer, as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. A valuation model as recommended by International Valuation Standards Committee has been applied. The Company considers factors like management intention, terms of rental agreements, area leased out, life of the assets etc. to determine classification of assets as investment properties. The rental income considered in the table above is from the date of rental agreement or date of re-classification from property, plant and equipment as applicable.

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Notes to consolidated financial statements for the year ended March 31, 2026

Description of valuation techniques used and key inputs to valuation on investment properties

Valuation technique	Significant unobservable inputs	Range (weighted average)	
		March 31, 2026	March 31, 2025
Income approach (Discounted Cash Flow (DCF) method)	Estimated rental value per sq ft per month	₹ 32.45 - ₹ 138	₹ 32.45 - ₹ 131.46
	Rent growth p.a.	3% - 15% every 3 years or based on market assessment	3% - 15% every 3 years or based on market assessment
	Discount rate	13.80%	13.85%

As per the DCF method, fair value is defined as the present value of future cash flows that can be generated from the Group. To estimate the cash flows available, projected cash flows of the Group are considered for certain future years (explicit forecast period). Based on the projected cash flows, the free cash flows from subject properties are estimated. The Group has discounted the net cash flows to arrive at the present value of free cash flows. After the explicit period, the subject properties will continue to generate cash. In DCF method, therefore, perpetuity value/capitalized value/ terminal value is also considered to arrive at the value of the subject properties.

4.1 Investments accounted for using the equity method

As at March 31 (Units)		Particulars	As at March 31 (₹ Crore)	
2026	2025		**2026**	2025
		Investments in joint venture and associate Unquoted equity instruments		
95,00,000	95,00,000	**Investment in joint venture** (fully paid up)(Refer note 40) Valvoline Cummins Private Limited (% Holding: 50%) (Incorporated in India)	**176.88**	162.79
7,79,997	7,79,997	**Investment in associate** (fully paid up)(Refer note 41) Cummins Generator Technologies India Private Limited (% Holding: 48.74%) (Incorporated in India)	**425.21**	387.36
Total			**602.09**	**550.15**

4.2 Investments

As at March 31 (Units)		Particulars	As at March 31 (₹ Crore)	
2026	2025		**2026**	2025
		Other investments (fully paid up) Unquoted equity instruments (Fair value through profit and loss)		
23,250	-	Clean Max Yellowstone Private Limited	**2.70**	–
Total			**2.70**	**–**

Notes to consolidated financial statements for the year ended March 31, 2026

5 Other non-current financial assets (carried at amortised cost)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unsecured, considered good		
Security deposits	**18.20**	14.55
Total	**18.20**	**14.55**

6 Income tax assets (net)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Advance income tax (net of provision for taxation)	**0.54**	43.83
Total	**0.54**	**43.83**

7 Other non-current assets

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unsecured, considered good		
Capital advances	**34.30**	41.40
Balances with statutory/government authorities	**54.72**	60.99
Others *	**0.41**	0.53
Total	**89.43**	**102.92**

* Others include prepaid expenses

8 Inventories

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Raw materials and components [includes goods in transit ₹ 181.25 Crore (March 31, 2025 ₹ 144.40 Crore)]	**625.45**	586.64
Work-in-progress (includes goods lying with third parties)	**228.76**	170.90
Finished goods [includes goods in transit ₹ 5.05 Crore (March 31, 2025 ₹ 5.76 Crore) and lying with third parties] *	**283.73**	222.14
Traded goods	**14.61**	10.24
Stores and spares	**5.20**	4.59
Loose tools	**10.70**	9.56
Total	**1,168.45**	**1,004.07**

* During the year ended March 31, 2026 ₹ 1.43 crore (March 31, 2025: ₹ 1.42 crore) was recognised as an expense for inventories carried at net realisable value.

Notes to consolidated financial statements for the year ended March 31, 2026

9 Current investments

As at March 31 (Units)		Particulars	As at March 31 (₹ Crore)	
2026	2025		**2026**	2025
		Unquoted mutual funds valued at fair value through profit and loss		
–	4,79,972	Aditya Birla Sun Life Liquid Fund - Growth-Direct Plan	**–**	20.10
2,94,837	1,39,815	Axis Liquid Fund - Direct Growth	**90.36**	40.32
37,357	59,464	HDFC Liquid Fund - Direct Plan - Growth Option	**20.21**	30.28
38,114	20,004	HDFC Liquid Fund - Regular Plan - Growth	**20.39**	10.08
86,995	43,501	HDFC Money Market Fund - Direct Plan - Growth Option	**53.09**	24.87
1,64,577	38,758	HSBC Liquid Fund - Direct Growth	**45.18**	10.02
9,32,530	6,65,554	ICICI Prudential Money Market Fund - Growth	**37.00**	24.77
17,24,125	5,22,270	ICICI Prudential Liquid Fund - Direct Plan - Growth	**70.29**	20.05
99,081	1,14,797	Kotak Liquid Fund Direct Plan Growth	**55.14**	60.15
1,00,222	77,663	Kotak Money Market Fund - Growth (Regular Plan)	**47.06**	34.22
74,360	23,686	Nippon India Liquid Fund - Direct Plan Growth Plan Growth Option	**50.15**	15.03
1,06,702	70,084	Nippon India Money Market Fund - Growth Plan Growth Option	**46.29**	28.53
1,39,781	98,857	SBI Liquid Fund Direct Growth	**60.19**	40.09
78,59,910	-	SBI Savings Fund - Direct Plan - Growth	**36.55**	-
–	24,473	Tata Liquid Fund Direct Plan - Growth	**-**	10.02
1,33,343	23,562	UTI Liquid Fund - Direct Plan Growth	**60.23**	10.02
2,29,223	-	Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	**10.07**	-
1,11,734	58,055	TATA Money Market Fund - Growth-Regular Plan	**55.17**	26.89
88,713	88,713	UTI Money Market Fund - Regular Growth Plan	**28.61**	26.83
93,869	24,796	TATA Liquid Fund - Regular Plan - Growth	**40.31**	10.03
8,83,545	8,83,545	Aditya Birla Sun Life Floating Rate Fund - Growth - Regular Plan	**32.09**	30.09
4,15,10,993	4,15,10,993	Sbi CPSE Bond Plus SDL Sep 2026 50:50 Index Fund - Direct Plan - Growth	**53.43**	50.02
4,11,83,763	4,11,83,763	Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund Direct Growth	**53.41**	50.02
3,41,388	-	Axis Money Market Fund Direct Growth	**51.62**	-
11,70,087	-	ICICI Money Market Fund - Growth Direct	**47.04**	-
1,08,794	-	Kotak Money Market Scheme - Direct Plan - Growth	**51.62**	-
1,18,855	-	NIPPON INDIA MONEY MARKET FUND - DIRECT PLAN GROWTH OPTION	**52.30**	-
1,91,834	-	UTI Money Market Fund - Direct Growth Plan - Total	**62.66**	-

Notes to consolidated financial statements for the year ended March 31, 2026

9 Current investments

As at March 31 (Units)		Particulars	As at March 31 (₹ Crore)	
2026	2025		**2026**	2025
1,02,469	-	Tata Money Market Fund Direct Plan - Growth	**51.64**	–
13,15,334	-	Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan	**51.58**	–
19,30,569	-	HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	**10.28**	–
4,11,289	-	Aditya Birla Sun Life Money Manager Fund - Growth-Regular Plan	**15.91**	-
		Value of unquoted mutual funds	**1,359.87**	**572.43**
		Aggregate value of unquoted investments	**1,359.87**	**572.43**
		Quoted Bonds/NCD valued at fair value through OCI		
3,00,000	3,00,000	Non Convertible Debentures - 7.45% PFC	**31.43**	31.52
2,000	2,000	REC/Bonds/227-A Series	**20.77**	20.73
2,000	2,000	7.79% SIDBI 2027-Series VI of FY 2023-24	**20.48**	20.46
–	2,000	REC/Bonds/ 229 A Series	**–**	20.72
–	400	5.78% HDFC Bank Limited 2025	**–**	40.35
–	350	6.43% HDFC Bank Limited 2025	**–**	35.92
600	350	6.00% HDFC Bank 2026	**62.80**	36.20
25	25	8.35% HDFC Bank 2026	**26.85**	27.07
–	750	7.4% National Bank for Agriculture and Rural Development 2026	**–**	75.88
–	5,000	7.59% Small Industrial Development Bank of India 2026	**–**	50.84
2,500	-	7.58% National Bank for Agriculture and Rural Development 2026	**26.23**	–
		Value of quoted bonds / NCD	**188.56**	**359.69**
		Aggregate value of quoted investments	**188.56**	**359.69**
		Total	**1,548.43**	**932.12**

Notes to consolidated financial statements for the year ended March 31, 2026

10 Trade receivables (carried at amortised cost)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Trade receivables	**2,273.82**	1,830.11
Receivables from related parties (Refer note 43)	**480.45**	447.64
Total	**2,754.27**	**2,277.75**
Break up for security details		
Secured, considered good	**450.91**	371.86
Unsecured, considered good	**2,303.36**	1,905.89
Trade receivable which have significant increase in credit risk	**–**	–
Trade receivable - credit impaired	**8.20**	9.77
	2,762.47	**2,287.52**
Impairment loss allowance (allowance for bad and doubtful debts)	**(8.20)**	(9.77)
Total	**2,754.27**	**2,277.75**

No trade receivable or advances are due from directors or other officers of the Company either severally or jointly with any other person. Trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member amounts to ₹ 67.24 crore (March 31, 2025: ₹ 19.99 crore). Trade receivables are non interest bearing and are generally on terms of 30 to 90 days.

Weighted average ECL provision works out to be 0.30% (March 31, 2025: 0.43%)

For terms and conditions and transactions with related parties refer note 43.

Trade receivables aging schedule

(₹ Crore)

Particulars	As at	Outstanding for following periods from due date of payment							Total
		Unbilled	Not due	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	**March 31, 2026**	**47.20**	**2,551.57**	**117.38**	**25.42**	**11.67**	**0.45**	**0.58**	**2,754.27**
	March 31, 2025	29.03	1,971.59	193.13	68.46	12.30	2.46	0.78	2,277.75
(ii) Undisputed trade receivables - which have significant increase in credit risk	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–	–	–	–
(iii) Undisputed trade receivables - credit impaired	**March 31, 2026**	**–**	**–**	**1.71**	**0.14**	**2.57**	**3.28**	**0.50**	**8.20**
	March 31, 2025	–	–	1.39	2.71	0.11	0.26	5.30	9.77
(iv) Disputed trade receivables - considered good	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–	–	–	–
(v) Disputed trade receivables - which have significant increase in credit risk	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–	–	–	–
(vi) Disputed trade receivables - credit impaired	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–	–	–	–
Total	**March 31, 2026**	**47.20**	**2,551.57**	**119.09**	**25.56**	**14.24**	**3.73**	**1.08**	**2,762.47**
	March 31, 2025	29.03	1,971.59	194.52	71.17	12.41	2.72	6.08	2,287.52

Notes to consolidated financial statements for the year ended March 31, 2026

11 Cash and Cash Equivalents (carried at amortised cost)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Cash on hand	**–**	–
Bank balances		
In current accounts	**112.03**	91.95
Deposits with banks (original maturity less than 3 months)		
Banks	**90.01**	143.04
Certificate of Deposit	**297.97**	–
Total	**500.01**	**234.99**

12 Other bank balances (carried at amortised cost)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unpaid dividend account (restricted)	**15.43**	14.18
Deposits with Banks (original maturity more than 3 months but less than 1 year)	**1,858.63**	2,261.12
Total	**1,874.06**	**2,275.30**

Notes to consolidated financial statements for the year ended March 31, 2026

13 Other current financial assets (carried at amortised cost, other than foreign exchange forward contracts)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unsecured, considered good:		
Security deposits	**33.27**	25.80
Foreign exchange forward contracts #	**1.27**	2.26
Others *	**32.23**	29.76
Total	**66.77**	**57.82**

Foreign exchange forward contracts at fair value through profit and loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationship, but are nevertheless, intended to reduce the level of foreign currency risk exposure.

* Others primarily include warranty receivable, cross charge etc.

Other current financial assets receivable from firms or private companies in which any director is a partner, a director or a member amounts to ₹ 5.17 crore (March 31, 2025: ₹ 4.55 crore). Refer note 43 for related party transactions.

14 Other current assets

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unsecured, considered good:		
Balances with statutory/government authorities	**83.63**	68.28
Contract assets ^	**74.12**	8.85
Others *	**36.84**	61.64
Total	**194.59**	**138.77**

^ Contract assets mainly include right to consideration against future obligation.

* Others include prepaid expenses, supplier advances, etc.

Notes to consolidated financial statements for the year ended March 31, 2026

15 Assets and liabilities classified as held for sale

a) The Board of Directors of the Company at its meeting held on February 7, 2025 had approved the sale of 100% stake in its wholly owned subsidiary, namely, Cummins Sales & Service Private Limited ("CSSPL"). Upon transfer of 100% shares to the buyer, CSSPL ceased to be a wholly owned subsidiary of the Company effective April 1, 2025. Below are the major classes of assets classified as held for sale and liabilities associated with assets classified as held for sale:

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Non-current assets		
Property, plant and equipment	–	1.38
Right-of-use assets	–	6.02
Intangible assets	–	0.03
Financial assets		
Other non-current financial assets	–	0.85
Deferred tax assets (net)	–	3.08
	–	11.36
Current assets		
Inventories	–	32.18
Financial assets		
Trade receivables	–	28.92
Cash and cash equivalents	–	1.76
Other current financial assets	–	3.30
Other current assets	–	5.24
	–	71.40
Total assets pertaining to subsidiary classified as held for sale	–	**82.76**
Non-current liabilities		
Financial liabilities		
Lease liabilities	–	4.80
Provisions	–	3.44
Current tax liabilities (net)	–	0.43
	–	8.67
Current liabilities		
Financial liabilities		
Trade payables		
(i) Total outstanding dues of micro and small enterprises	–	0.40
(ii) Total outstanding dues of creditors other than micro and small enterprises	–	2.78
Lease liabilities	–	1.55
Other current financial liabilities	–	3.24
Other current liabilities	–	8.33
Provisions	–	0.63
	–	**16.93**
Total liabilities pertaining to subsidiary classified as held for sale	–	**25.60**

b) Certain property, plant and equipment are classified as held for sale (at lower of cost or fair value less cost to sell). As at March 31, 2026, these assets have a carrying value of ₹ 3.60 crore (March 31, 2025: ₹ 4.93 crore).

Notes to consolidated financial statements for the year ended March 31, 2026

16 Equity share capital

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Authorised:		
400,000,000 equity shares of ₹ 2 each	**80.00**	80.00
Issued, subscribed and fully paid-up shares:		
277,200,000 equity shares of ₹ 2 each	**55.44**	55.44
Total	**55.44**	**55.44**

a) Reconciliation of number of shares

Particulars	**As at March 31, 2026**		As at March 31, 2025	
	Nos.	**₹ Crore**	**Nos.**	**₹ Crore**
Balance as at the beginning and end of the year	**277,200,000**	**55.44**	277,200,000	55.44

b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in the proportion to their shareholding.

c) Details of shareholding of promoters

Particulars	**As at March 31, 2026**			As at March 31, 2025		
	Nos. of Shares	**% of total number of shares**	**% of change during the year**	**Nos. of Shares**	**% of total number of shares**	**% of change during the year**
Cummins Inc. USA - Holding Company	**141,372,000**	**51.00%**	**–**	141,372,000	51.00%	–

d) Details of shareholders holding more than 5% of the aggregate shares in the Company

Particulars	**As at March 31, 2026**		As at March 31, 2025	
	Nos.	**%**	**Nos.**	**%**
Equity shares of ₹ 2 each fully paid Cummins Inc. USA - Holding Company	**141,372,000**	**51.00%**	141,372,000	51.00%

Notes to consolidated financial statements for the year ended March 31, 2026

17 Other equity

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Retained earnings	**7,217.08**	6,317.70
	7,217.08	**6,317.70**
Other reserves		
Capital redemption reserve	**0.70**	0.70
General reserve	**1,142.02**	1,142.02
Equity contribution from Holding Company	**59.92**	45.54
Total	**1,202.64**	**1,188.26**

a) Retained earnings

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Opening balance as at April 1	**6,317.70**	5,383.85
Add: Profit for the year	**2,361.75**	1,999.94
Add: Other comprehensive income		
- Items not to be reclassified to profit or loss in subsequent periods Remeasurement (loss)/gain on defined benefit plans, net of tax	**21.56**	(14.43)
- Items to be reclassified to profit or loss in subsequent periods Changes in the fair value of financial instruments, net of tax	**(0.91)**	1.70
	8,700.10	**7,371.06**
Less:		
Interim dividend paid for the financial years ended March 31, 2026 (₹ 20 per share) and March 31, 2025 (₹ 18 per share)	**554.40**	498.96
Final dividend paid for the financial years ended March 31, 2025 (₹ 33.50 per share) and March 31, 2024 (₹ 20 per share)	**928.62**	554.40
	1,483.02	**1,053.36**
Closing balance as at March 31	**7,217.08**	**6,317.70**

Dividends not recognised at the end of the reporting period

In addition to the above dividends, since year end the directors have recommended payment of final dividend of ₹ 1,275.12 crore for the year ended March 31, 2026 (March 31, 2025: ₹ 928.60 crore) which is ₹ 46.00 per fully paid up share (March 31, 2025: ₹ 33.50 per fully paid up share). This proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting.

Notes to consolidated financial statements for the year ended March 31, 2026

b) Capital redemption reserve

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Opening balance as at April 1	**0.70**	0.70
Add: Movement during the year	**–**	–
Closing balance as at March 31	**0.70**	**0.70**

c) General reserve

General reserve denotes the amounts transferred from retained earnings on declaration of dividends as per the requirements of erstwhile Companies Act, 1956.

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Opening balance as at April 1	**1,142.02**	1,142.02
Add: Movement during the year	**–**	–
Closing balance as at March 31	**1,142.02**	**1,142.02**

d) Equity contribution from the holding company

Certain employees are directly paid by the holding company through stock options.

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Opening balance as at April 1	**45.54**	30.31
Add: Movement during the year	**14.38**	15.23
Closing balance as at March 31	**59.92**	**45.54**

18 Other non-current financial liabilities (carried at amortised cost)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Deposits	**22.81**	33.90
Retention money	**6.59**	8.44
Capital creditors	**3.36**	0.87
Others *	**9.04**	10.26
Total	**41.80**	**53.47**

* Others primarily include liability on account of Voluntary Retirement Scheme

Notes to consolidated financial statements for the year ended March 31, 2026

19 Provisions

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Provision for employee benefit obligations (Refer note 42)	**209.67**	154.09
Warranties (Refer note 39 (i))	**129.82**	114.27
Statutory matters (Refer note 39 (ii))	**13.44**	16.19
New Engine Performance Inspection (NEPI) (Refer note 39 (iii))	**39.82**	47.52
	392.75	**332.07**
Current provisions	**183.93**	169.15
Non - current provisions	**208.82**	162.92
Total	**392.75**	**332.07**

20 Income taxes

a) Deferred tax liabilities (net)

(₹ Crore)

Particulars	Balance Sheet		Statement of profit and loss	
	As at March 31		Year ended March 31	
	2026	2025	**2026**	2025
Deferred tax assets				
Provision for employee benefits recognised in the Statement of Profit and Loss	**33.40**	29.04	**4.36**	1.53
Other timing differences	**22.77**	32.52	**(9.75)**	10.62
Deferred tax asset pertaining to subsidiary moved to held for sale	**–**	(3.08)	**7.67**	–
Total deferred tax assets	**56.17**	**58.48**	**2.28**	**12.15**
Deferred tax liabilities				
Depreciation	**140.07**	142.74	**(2.67)**	4.32
Other timing differences	**12.17**	1.95	**10.22**	3.92
Others including OCI	**–**	–	**–**	(0.14)
	12.17	1.95		
Total deferred tax liabilities	**152.24**	**144.69**	**7.55**	**8.10**
Deferred tax (expense)/income			**(5.27)**	**4.05**
Net deferred tax liabilities	**96.07**	**86.21**		

Notes to consolidated financial statements for the year ended March 31, 2026

b) The major components of income tax expenses for the years ended March 31, 2026 and March 31, 2025 are:

Statement of Profit and Loss

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Profit and loss section		
Current income tax:		
Current income tax charge	**706.37**	598.05
Deferred tax:		
Relating to origination and reversal of temporary differences	**5.27**	(4.05)
Adjustments in respect of current income tax of previous year	**12.56**	(1.13)
Income tax expenses reported in the Statement of Profit and Loss	**724.20**	**592.87**
OCI section		
Tax related to items recognised in OCI during the year	**6.14**	(4.29)
Net (gain)/loss on remeasurements of defined benefit plans and others	**6.14**	**(4.29)**

c) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Accounting profit before tax	**3,085.95**	2,592.81
Less: Share of profit of joint ventures and associate after tax	**266.28**	266.77
	2,819.67	**2,326.04**
India's statutory income tax rate	**25.17%**	25.17%
Tax at full rate	**709.65**	585.42
Adjustments:		
Others (deductible, non-deductible items, net)	**14.55**	7.45
Total	**14.55**	**7.45**
Income tax expenses reported in the Statement of Profit and Loss for the current year	**724.20**	**592.87**

Notes to consolidated financial statements for the year ended March 31, 2026

d) Deferred tax

Reconciliation of deferred tax liabilities (net):

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Opening balances as at April 1	**86.21**	87.18
Tax expense/(income) during the year recognised in Statement of Profit and Loss	**5.27**	(4.05)
Tax expense/(income) during the year recognised in OCI	**-**	-
Adjustments in respect of previous years	**-**	-
Tax asset pertaining to subsidiary moved to held for sale	**4.59**	3.08
Closing balance as at March 31	**96.07**	**86.21**

21 Other non-current liabilities

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Contract liabilities	**22.63**	25.60
Total	**22.63**	**25.60**

The Group expects the revenue on account of this to be recognised over the next 2 to 5 years

22 Current tax liabilities (net)

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Provision for income tax (net)	**55.56**	3.16
Total	**55.56**	**3.16**

23 Trade payables

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Trade payables to micro and small enterprises (Refer note 34)	**92.66**	68.31
Trade payables other than related parties, micro and small enterprises	**597.81**	611.43
Trade payables to related parties (Refer note 43)	**959.51**	887.36
	1,557.32	1,498.79
Total	**1,649.98**	**1,567.10**

Trade payables are non interest bearing and are normally settled in 30 to 90 days terms.
For terms and conditions and transactions with related parties refer note 43.

Notes to consolidated financial statements for the year ended March 31, 2026

Trade payables aging schedule

(₹ Crore)

Particulars	As at	Outstanding for following periods from due date of payment						Total
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed MSME	**March 31, 2026**	**4.58**	**86.95**	**1.13**	**-**	**-**	**-**	**92.66**
	March 31, 2025	5.52	62.60	0.19	-	-	-	68.31
(ii) Undisputed- Others	**March 31, 2026**	**177.09**	**1,144.07**	**220.40**	**5.31**	**2.31**	**8.14**	**1,557.32**
	March 31, 2025	314.03	1,086.45	87.83	1.94	2.07	6.47	1,498.79
Total	**March 31, 2026**	**181.67**	**1,231.02**	**221.53**	**5.31**	**2.31**	**8.14**	**1,649.98**
	March 31, 2025	319.55	1,149.05	88.02	1.94	2.07	6.47	1,567.10

24 Other current financial liabilities

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Unpaid dividend	**15.43**	14.18
Royalty (Refer note 43)	**69.04**	62.79
Support services payable (Refer note 43)	**90.16**	35.76
Retention money	**1.06**	2.43
Capital creditors	**8.99**	63.99
Others including salaries, wages, bonus payable	**56.82**	38.04
Total	**241.50**	**217.19**

25 Other current liabilities

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Statutory dues and other payables	**170.34**	130.90
Advance for sale of investment in subsidiary	**-**	56.50
Contract liabilities ^	**121.91**	79.63
Total	**292.25**	**267.03**

^ Contract liabilities include advances received from customers as well as consideration received before the Group has transferred goods or services to the customer.

Notes to consolidated financial statements for the year ended March 31, 2026

26 Revenue from operations

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Sale of products	**11,323.80**	9,713.71
Sale of services	**625.93**	505.53
	11,949.73	**10,219.24**
Other operating revenue		
Scrap sales	**7.04**	9.29
Export incentives	**51.54**	44.73
Others *	**134.88**	117.43
	193.46	**171.45**
Revenue from operations	**12,143.19**	**10,390.69**

* Others primarily includes testing income, engineering income, royalty income from dealers, etc.

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Location		
India	**10,084.77**	8,574.68
Outside India	**2,006.88**	1,771.28
Total revenue from contracts with customers *	**12,091.65**	**10,345.96**
Timing of revenue recognition		
Goods transferred at a point in time	**11,330.84**	9,723.00
Services transferred over time	**760.81**	622.96
Revenue from contracts with customers *	**12,091.65**	**10,345.96**
Set out below is the amount of revenue recognised from		
Amounts included in contract liabilities at the beginning of the year	**69.97**	56.84
Performance obligations satisfied in previous years	**-**	-
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	**12,315.94**	10,588.59
Adjustments		
Sales return	**(54.34)**	(52.07)
Discounts	**(181.35)**	(164.29)
Liquidated damages	**(9.15)**	(12.14)
Others	**20.55**	(14.13)
Revenue from contracts with customers *	**12,091.65**	**10,345.96**

* Excludes export incentives

Notes to consolidated financial statements for the year ended March 31, 2026

27 Other income

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Gain on sale/redemption of investments		
- On current investments designated at fair value through profit and loss	**74.84**	45.91
	74.84	**45.91**
Interest on term deposits and others	**188.50**	169.34
Rent (Refer note 3 for rent on investment properties)	**186.13**	175.85
Exchange gain (net)	**-**	2.13
Gain on assets sold, discarded, etc.	**-**	6.21
Miscellaneous income	**67.87**	47.48
	442.50	**401.01**
Total	**517.34**	**446.92**

28.1 Cost of materials consumed

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Inventory at the beginning of the year	**586.64**	518.55
Add: Purchases	**7,003.29**	5,979.27
Less: Inventory at the end of the year	**625.45**	586.64
Total	**6,964.48**	**5,911.18**

Notes to consolidated financial statements for the year ended March 31, 2026

28.2 Change in inventories of finished goods, work-in-progress and traded goods

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Inventories at the end of the year (Refer note 8)		
Work-in-progress	**228.76**	170.90
Finished goods	**283.73**	222.14
Traded goods	**14.61**	10.24
Subtotal (A)	**527.10**	**403.28**
Inventories at the beginning of the year (Refer note 8)		
Work-in-progress	**170.90**	197.34
Finished goods	**222.14**	196.74
Traded goods	**10.24**	22.95
Subtotal (B)	**403.28**	**417.03**
Inventories pertaining to subsidiary classified as held for sale (C)	**(18.17)**	**30.31**
(Increase)/decrease (B-A-C)	**(105.65)**	**(16.56)**

29 Employee benefits expense

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Salaries, wages and bonus	**658.18**	670.92
Contribution to provident and other funds (Refer note 42)	**87.40**	81.72
Staff welfare expenses	**49.10**	44.85
Total	**794.68**	**797.49**

30 Finance costs

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Interest on borrowings and others	**0.02**	3.34
Interest cost on lease liabilities (Refer note 37)	**2.90**	2.52
Total interest expense	**2.92**	**5.86**
Unwinding of discount and effect of changes in discount rate on provisions (Refer note 39)	**9.49**	9.99
Total	**12.41**	**15.85**

Notes to consolidated financial statements for the year ended March 31, 2026

31 Other Expenses

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Commission on sales	**30.85**	20.98
Consumption of stores and spare parts	**77.83**	79.29
Warranty expenses (Refer note 39)	**106.34**	97.55
Consumption of tools and gauges	**11.04**	9.17
Repairs to buildings	**41.61**	35.17
Repairs to machinery	**10.38**	9.57
Other repairs	**4.76**	5.76
Power and fuel	**32.46**	32.09
Rates and taxes	**26.18**	10.58
Insurance	**24.12**	23.13
Outside processing charges	**45.32**	34.34
Donations (including expenditure towards corporate social responsibility activities (Refer note 43 and 45))	**37.10**	28.09
Royalties (Refer note 43)	**77.94**	70.65
Support services (net of credits, if any) (Refer note 43)	**222.52**	110.58
Computer and other services	**115.35**	114.85
Payment to auditors (Refer details below)	**2.15**	1.97
Loss on assets sold, discarded, etc.	**0.15**	–
Exchange loss (net)	**1.14**	–
Bad debts		
Bad debts written off	**1.14**	0.39
Allowance for doubtful debts	**(0.43)**	5.83
Amount withdrawn from provisions	**(1.14)**	(0.39)
	(0.43)	5.83
Other expenses (net of expenses recovered) (Refer note 43)	**218.28**	228.70
Total	**1,085.09**	**918.30**

Payment to auditors:

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
On account of statutory audit fees	**1.60**	1.41
On account of tax audit fees	**0.12**	0.14
On account of assurance and certification services	**0.39**	0.37
On account of reimbursement of expenses	**0.04**	0.05
Total	**2.15**	**1.97**

Notes to consolidated financial statements for the year ended March 31, 2026

32 Earning per share (EPS)

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The numbers used in calculating basic and diluted earnings are stated below:

Particulars	Year ended March 31	
	2026	2025
(a) Profit for the year after taxation (₹ Crore)	**2,361.75**	1,999.94
(b) Weighted average number of shares outstanding during the year	**277,200,000**	277,200,000
(c) Earnings per share (Basic and Diluted) (₹)	**85.20**	72.15
(d) Face value per share (₹)	**2**	2

33 Capital and other commitments

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Estimated amount of contracts in capital account remaining to be executed (net of capital advances).		
Property, plant and equipment	**147.87**	159.25
Intangible assets	**2.79**	0.39
Total	**150.66**	**159.64**

For other commitments also refer note 37

34 Trade payables include dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 as under:

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Total outstanding dues of micro and small enterprises	**92.66**	68.31
1. Principal Amount	**92.66**	68.31
2. Interest accrued	**-**	-
3. Payment made to suppliers (other than interest) beyond the appointed day, during the year	**75.96**	481.64
4. Interest paid to suppliers under MSMED Act, 2006 (other than section 16)	**–**	–
5. Interest paid to suppliers under MSMED Act, 2006 (Section 16)	**0.24**	0.57
6. Interest due and payable to suppliers under MSMED Act, 2006 for the payments already made	**–**	–
7. Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	**–**	–

The Group has compiled this information based on intimations received from the suppliers of their status as Micro or Small Enterprises and / or their registration with the appropriate authority under MSMED Act, 2006.

Notes to consolidated financial statements for the year ended March 31, 2026

35 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in an outcome that requires a material adjustment to the carrying amount of assets or liabilities effected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- **Identifying performance obligations in a bundled sale of equipment and installation services**
  The Group provides installation services that can either be sold separately or bundled together with the sale of equipment to a customer. The installation services are a promise to transfer services in the future and are part of the negotiated exchange between the Group and the customer. The Group determined that both the equipment and installation are capable of being distinct.

- **Determining method to estimate variable consideration and assessing the constraint**
  Certain contracts for the sale of services include volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company applies either the most likely amount method or the expected value method.The most likely amount method is applied for contracts with a single-volume threshold and the expected value method is applied for contracts with more than one volume threshold.

  The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Contingent liabilities

The Group has received orders and notices from tax authorities relating to direct and indirect taxes, the ultimate outcome of which is subject to uncertainty. Management periodically evaluates all available information in respect of such matters to determine whether a present obligation exists as at the reporting date as a result of past events and whether it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made. These assessments involve the exercise of significant judgement by management. (Refer note 36)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimation on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however,

Notes to consolidated financial statements for the year ended March 31, 2026

may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Defined benefit plans:

The cost of the defined benefit gratuity plan and other post–employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The discount rate is the parameter most subject to change. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for India. Mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 42.

Fair value measurements of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets if available, otherwise, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instrument. Refer note 47 for further disclosures.

Warranty, statutory matters and New Engine Performance Inspection (NEPI)

For estimates relating to warranty, statutory matters and NEPI (refer note 39).

Notes to consolidated financial statements for the year ended March 31, 2026

36 Contingent liabilities

(₹ Crore)

Particulars	As at 31 March	
	2026	2025
Income tax matters*	**17.31**	17.21
Central excise duty/service tax matters*	**6.23**	6.23
Duty drawback and custom matters	**8.90**	34.93
Sales tax matters*	**34.61**	34.61
Civil liability / secondary civil liability in respect of suits filed against the Group*	**1.61**	1.49
Goods and service tax matters	**234.50**	4.33
Total	**303.16**	**98.80**

* Excludes interest and penalties if any. The above matters pertain to certain disallowances/demand raised by respective authorities.

The Group is contesting the demands and the management, including its tax/legal advisors, believe that its position will likely be upheld in the appeal process.

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated February 28, 2019. The Group has implemented the SC decision prospectively.

The Group has various on-going litigations by/or against the Group with respect to tax and other legal matters, other than those disclosed above. The Group believes that they have sufficient and strong arguments on facts as well as on point of law and accordingly no provision / disclosure in this regard has been considered in the financial statements.

The share of contingent liabilities in respect of a joint venture and an associate amounts to ₹ 19.62 crore (March 31, 2025: ₹ 15.68 crore)

37 Leases

Lease commitments as a Lessee

The Group has entered into leases for office premises. These lease arrangements range for a period between 12 months and 120 months with lock in period between 24 months and 108 months, which include both renewable and non-renewable leases. Additions to ROU assets are non-cash investing activities.

Following are the changes in the carrying value of right of use assets during the year ended:

(₹ Crore)

Particulars	**March 31, 2026**				March 31, 2025			
	Category of ROU			**Total**	Category of ROU			**Total**
	Building	**Land**	**Vehicles**		**Building**	**Land**	**Vehicles**	
Balance as at the beginning of the year	**22.97**	**12.69**	**4.14**	**39.80**	22.99	13.57	–	36.56
Additions	**15.40**	**-**	**3.33**	**18.73**	16.32	2.34	5.01	23.67
Adjustment	**(2.23)**	**0.14**	**(0.54)**	**(2.63)**	(8.95)	(3.01)	(0.09)	(12.05)
Depreciation	**(7.19)**	**(0.24)**	**(1.59)**	**(9.02)**	(7.39)	(0.21)	(0.78)	(8.38)
Balance as at the end of the year	**28.95**	**12.59**	**5.34**	**46.88**	**22.97**	**12.69**	**4.14**	**39.80**

Following are the changes in carrying value of lease liablities during the year ended

Notes to consolidated financial statements for the year ended March 31, 2026

(₹ Crore)

Particulars	March 31, 2026	March 31, 2025
Balance as at the beginning of the year	**29.66**	26.98
Additions	**18.73**	21.22
Adjustment	**(3.27)**	(10.75)
Interest cost accrued during the period	**2.90**	2.52
Payments	**(11.51)**	(10.31)
Balance as at the end of the year	**36.51**	**29.66**
Current portion	**16.48**	9.24
Non-current portion	**20.03**	20.42

The maturity analysis of lease liabilities is disclosed in note 46(c). Lease liability has been discounted using the lessee's incremental borrowing rate. There are no variable lease payments.

The following are the amounts recognised in statement of profit and loss for the year ended:

(₹ Crore)

Particulars	March 31	
	2026	2025
Depreciation expense of right-of-use assets	**9.02**	8.38
Interest expense on lease liabilities	**2.90**	2.52
Total amount recognised in Statement of Profit and Loss	**11.92**	**10.90**

Operating lease as a lessor

The Group has entered into operating leases on its investment properties consisting of buildings and other related assets. These leases have terms between 36 and 60 months.

Future minimum lease rentals receivable under operating leases are as follows:

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Within 1 year	**46.44**	46.50
Between 1-2 years	**26.64**	18.55
Between 2-3 years	**11.30**	9.41
Between 3-4 years	**1.25**	3.45
Between 4-5 years	**-**	-
More than 5 years	**-**	-
Total	**85.63**	**77.91**

The Group has not entered into any sub-leases during the year.

Notes to consolidated financial statements for the year ended March 31, 2026

38 The total research and development expenses incurred by the Company are as under:

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
On capital account	**5.89**	7.23
On revenue account	**4.65**	3.28
Total	**10.54**	**10.51**

39 Disclosure on provisions made, utilised and reversed during the year

i) Provision for warranty

Provision for warranty is on account of warranties given on products sold by the Group. The amount of provision is based on historical information of the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence. The timing and amount of cash flows that will arise from these matters will be determined at the time of receipt of claims. Amount expected to be paid in next 12 months is classified as current.

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Balance as at the beginning of the year	**114.27**	78.86
Additions / (reversal)	**106.34**	97.55
Utilisation	**95.41**	67.75
Unwinding of discount and changes in the discount rate	**4.62**	5.61
Balance as at the end of the year	**129.82**	**114.27**
Classified as non-current	**95.42**	84.36
Classified as current	**34.40**	29.91

ii) Provision for statutory matters

Provisions for statutory matters are on account of legal matters where the Group anticipates probable outflow. The amount of provision is based on estimates made by the Group considering the facts and circumstances of each case. The timing and amount of cash flows that will arise from these matters will be determined by the relevant authorities only on settlement of these cases.

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Balance as at the beginning of the year	**16.19**	17.66
Additions / (reversal)	**(2.75)**	–
Utilisation	**–**	1.47
Balance as at the end of the year	**13.44**	**16.19**
Classified as non-current	**–**	–
Classified as current	**13.44**	16.19

Notes to consolidated financial statements for the year ended March 31, 2026

iii) Provision for New Engine Performance Inspection (NEPI)

Provision for New Engine Performance Inspection (NEPI) is on account of checks to be carried out by the Group at specified intervals. The amount of provision is based on historical information of the nature, frequency and average cost of claims and management estimates regarding possible future incidence. The timing and amount of the cash flows that will arise from these matters will be determined at the time of receipt of claims. Amount expected to be paid in next 12 months is classified as current.

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Balance as at the beginning of the year	**47.52**	40.58
Additions / (reversal)	**5.35**	19.84
Utilisation	**15.88**	15.02
Unwinding of discount and changes in the discount rate	**2.83**	2.12
Balance as at the end of the year	**39.82**	**47.52**
Classified as non-current	**20.30**	26.19
Classified as current	**19.52**	21.33

Notes to consolidated financial statements for the year ended March 31, 2026

40 Investment in joint venture

The Group has 50% interest in joint venture namely Valvoline Cummins Private Limited (VCPL) incorporated in India. The Group's interest is accounted for using the equity method in the consolidated financial statements.

Summarised financial information of the joint venture, based on their Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Valvoline Cummins Private Limited

Summarised Balance Sheet

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Non current assets		
Property, plant and equipment	**63.80**	66.73
Capital work-in-progress	**10.29**	0.57
Intangible assets under development	**0.64**	1.61
Intangible assets	**4.73**	5.52
Right-of-use assets	**20.76**	20.35
Other non-current financial assets	**9.86**	10.17
Deferred tax assets (net)	**3.47**	2.12
Other non-current assets	**4.80**	7.00
	118.35	**114.07**
Current assets		
Inventories	**336.17**	321.75
Financial assets		
(i) Investments	**74.10**	12.15
(ii) Trade receivables	**294.94**	233.35
(iii) Cash and cash equivalents	**34.75**	53.48
(iv) Other current financial assets	**22.92**	5.26
Other current assets	**70.38**	51.73
	833.26	**677.72**
Non current liabilities		
Lease liabilities	**11.25**	13.28
	11.25	**13.28**

Notes to consolidated financial statements for the year ended March 31, 2026

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Current liabilities		
Borrowings	**2.35**	2.49
Lease liabilities	**5.46**	3.64
Trade payables	**324.78**	365.66
Other financial liabilities	**94.99**	40.85
Other current liabilities	**142.94**	32.17
Provisions	**13.61**	6.72
Current tax liabilities (net)	**2.18**	0.83
	586.31	**452.36**

Equity	**354.06**	326.15
Proportion of the Group's ownership	**50.00%**	50.00%
Carrying amount of the investment *	**176.88**	162.79
Capital commitments	**6.48**	9.64

* Adjusted for inter company transactions

Summarised Statement of Profit and Loss

(₹ Crore)

Particulars	Year ended March 31	
	2026	2025
Revenue from operations	**3,010.66**	2,353.37
Other income	**7.17**	7.67
Cost of raw material and components	**1,752.03**	1,416.92
Depreciation and amortisation expense	**18.66**	17.17
Finance costs	**1.74**	1.95
Employee benefits expense	**121.39**	110.22
Other expenses	**812.63**	545.63
Profit before exceptional items and tax	**311.38**	**269.15**
Exceptional items	**10.19**	-
Profit before tax	**301.19**	**269.15**
Tax expense	**75.97**	68.36
Profit for the year	**225.22**	**200.79**
Other comprehensive income	**2.19**	1.57
Total comprehensive income for the year	**227.41**	**202.36**

Notes to consolidated financial statements for the year ended March 31, 2026

41 Investment in an associate

The Shareholders of the Cummins Generator Technologies India Private Limited (CGT) at their Extra-ordinary General Meeting held on March 17, 2022, approved a scheme of reduction of the issued, subscribed and paid-up share capital of the CGT (the 'Scheme'), cancelling and extinguishing, in aggregate, 7,433 equity shares of CGT ('Capital Reduction') as recommended by the Board of Directors in their meeting held on February 11, 2022. CGT had filed a petition with Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench seeking approval on the said Scheme of Capital Reduction on April 7, 2022. The NCLT has approved the reduction in share capital corresponding to 6,532 equity shares of ₹ 10 each with effect from December 18, 2024. Consequent to the reduction, the shareholding % of the Company in CGT has increased from 48.54% to 48.74%.

CGT is involved in the manufacture and sale of alternators and related services. It caters to both domestic and international markets. The Group's interest is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in CGT.

Summarised balance sheet

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Non current assets	**180.82**	100.86
Current assets	**983.61**	907.40
Non current liabilities	**46.20**	32.00
Current liabilities	**242.16**	178.32
Equity	**876.07**	**797.94**
Proportion of the Group's ownership	**48.74%**	48.74%
Carrying amount of the investment *	**425.21**	387.36
Capital commitments	**31.16**	3.94

* Adjusted for inter company transactions

Summarised Statement of Profit and Loss

(₹ Crore)

Particulars	As at March 31	
	2026	2025
Revenue from operations	**2,334.16**	2,011.89
Other income	**33.87**	37.30
Cost of raw material and components	**1,660.90**	1,347.64
Depreciation and amortisation expense	**14.55**	12.16
Finance costs	**2.37**	1.95
Employee benefits expense	**114.85**	108.17
Other expenses	**141.42**	117.52
Profit before tax	**433.94**	461.75
Exceptional items (expense)/income	**(6.71)**	–
Profit after exceptional items	**427.23**	**461.75**
Tax expense	**111.86**	117.67
Profit for the year	**315.37**	**344.08**
Other comprehensive income	**2.69**	(1.59)
Total comprehensive income for the year	**318.06**	**342.49**

Notes to consolidated financial statements for the year ended March 31, 2026

42 Employee benefit plans

1. Defined contribution plans - The Company has recognised the following amounts in statement of profit and loss for the year:

(₹ Crore)

Particulars	Total
Contribution to employees provident fund	**11.16**
	12.75
Contribution to management superannuation fund	**19.23**
	20.68

2. Defined benefit plans

The following figures are as per actuarial valuation, as at the balance sheet date, carried out by an independent actuary.

a. Net Balance Sheet position

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
i) Defined benefit obligation	**March 31, 2026**	**344.37**	**29.70**	**2.35**	**2.33**	**508.05**
	March 31, 2025	277.51	32.27	2.59	2.33	454.33
ii) Fair value of Plan assets	**March 31, 2026**	**276.24**	**29.83**	**–**	**–**	**492.83**
	March 31, 2025	241.13	27.97	–	–	454.70
iii) Funded status surplus/(deficit)	**March 31, 2026**	**(68.13)**	**0.13**	**(2.35)**	**(2.33)**	**(15.22)**
	March 31, 2025	(36.38)	(4.30)	(2.59)	(2.33)	0.37
iv) Effect of asset ceiling	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	(0.37)
Net defined benefit asset/(liability)	**March 31, 2026**	**(68.13)**	**0.13**	**(2.35)**	**(2.33)**	**(15.22)**
	March 31, 2025	(36.38)	(4.30)	(2.59)	(2.33)	–

b. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation (DBO)

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
Opening defined benefit obligation	**March 31, 2026**	**277.51**	**32.27**	**2.59**	**2.33**	**454.33**
	March 31, 2025	246.62	29.08	2.52	2.22	402.93
i) Current service cost	**March 31, 2026**	**21.29**	**1.00**	**0.09**	**0.07**	**20.58**
	March 31, 2025	17.38	0.92	0.09	0.07	18.51
ii) Interest cost	**March 31, 2026**	**19.79**	**2.06**	**0.15**	**0.15**	**31.24**
	March 31, 2025	16.86	1.99	0.16	0.15	29.73
iii) Settlement/Curtailment (credit)/cost	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–
iv) Actuarial (gains) / losses - experience changes	**March 31, 2026**	**(15.65)**	**(0.35)**	**0.06**	**0.14**	**5.92**
	March 31, 2025	13.56	0.97	0.12	(0.02)	2.10

Notes to consolidated financial statements for the year ended March 31, 2026

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
v) Actuarial (gains) / losses - demographic changes	**March 31, 2026**	**(3.76)**	**0.01**	**(0.10)**	**(0.10)**	**–**
	March 31, 2025	(2.61)	0*	–	–	–
vi) Actuarial (gains) / losses - financial assumptions	**March 31, 2026**	**(18.35)**	**(0.72)**	**(0.05)**	**(0.07)**	**6.33**
	March 31, 2025	9.62	0.55	0.04	0.05	(0.48)
vii) Benefits paid	**March 31, 2026**	**(18.36)**	**(4.57)**	**(0.39)**	**(0.19)**	**(32.26)**
	March 31, 2025	(20.99)	(3.30)	(0.34)	(0.14)	(19.63)
viii) Past service cost - plan amendments	**March 31, 2026**	**83.38**	**–**	**–**	**–**	**–**
	March 31, 2025	–	2.06	–	–	–
ix) Other adjustments	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	(3.27)	–	–	–	–
x) Acquisitions (credit) / cost	**March 31, 2026**	**(1.48)**	**–**	**–**	**–**	**(7.09)**
	March 31, 2025	0.35	–	–	–	(5.81)
xi) Contributions by employees	**March 31, 2026**	**–**	**–**	**–**	**–**	**29.00**
	March 31, 2025	–	–	–	–	26.98
Closing defined benefit obligation	**March 31, 2026**	**344.37**	**29.70**	**2.35**	**2.33**	**508.05**
	March 31, 2025	277.52	32.27	2.59	2.33	454.33

* Amount is below the rounding off norm adopted by the Group.

c. Reconciliation of opening and closing balances of the fair value of plan assets

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
Opening fair value of plan assets	**March 31, 2026**	**241.13**	**27.97**	**–**	**–**	**454.70**
	March 31, 2025	206.88	28.82	–	–	403.79
i) Interest income on plan assets	**March 31, 2026**	**16.67**	**1.92**	**–**	**–**	**31.27**
	March 31, 2025	14.37	1.98	–	–	29.79
ii) Return on plan asset greater / (lesser) than discount rate	**March 31, 2026**	**1.65**	**0.21**	**–**	**–**	**(3.37)**
	March 31, 2025	2.78	0.22	–	–	1.07
iii) Actuarial gains / (losses)	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–
iv) Contribution by the employer	**March 31, 2026**	**36.62**	**4.30**	**–**	**–**	**20.58**
	March 31, 2025	37.54	0.25	–	–	18.51
v) Benefits paid	**March 31, 2026**	**(18.36)**	**(4.57)**	**–**	**–**	**(32.26)**
	March 31, 2025	(20.79)	(3.30)	–	–	(19.63)
vi) Acquisitions adjustment	**March 31, 2026**	**(1.48)**	**–**	**–**	**–**	**(7.09)**
	March 31, 2025	0.35	–	–	–	(5.81)
vii) Contribution by employee	**March 31, 2026**	**–**	**–**	**–**	**–**	**29.00**
	March 31, 2025	–	–	–	–	26.98

Notes to consolidated financial statements for the year ended March 31, 2026

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
viii) Other adjustments	**March 31, 2026**	**0.01**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–
Closing fair value of plan assets	**March 31, 2026**	**276.24**	**29.83**	**–**	**–**	**492.83**
	March 31, 2025	241.13	27.97	–	–	454.70

d. Total defined benefit cost

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
i) Current and past service cost	**March 31, 2026**	**104.67**	**1.00**	**0.09**	**0.07**	**20.58**
	March 31, 2025	17.38	2.98	0.09	0.07	18.51
ii) Net interest cost	**March 31, 2026**	**3.12**	**0.14**	**0.15**	**0.15**	**-**
	March 31, 2025	2.49	0.01	0.16	0.15	-
iii) Actuarial (gains) / losses recognised in OCI	**March 31, 2026**	**(39.41)**	**(1.28)**	**(0.09)**	**(0.03)**	**15.22**
	March 31, 2025	17.79	1.30	0.16	0.03	-
Total defined benefit cost	**March 31, 2026**	**68.38**	**(0.14)**	**0.15**	**0.19**	**35.80**
	March 31, 2025	37.66	4.29	0.41	0.25	18.51

e. Statement of profit and loss

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
i) Current and past service cost	**March 31, 2026**	**104.67**	**1.00**	**0.09**	**0.07**	**20.58**
	March 31, 2025	17.38	2.98	0.09	0.07	18.51
ii) Settlement/Curtailment cost/(credit)	**March 31, 2026**	**–**	**–**	**–**	**–**	**–**
	March 31, 2025	–	–	–	–	–
iii) Net interest cost	**March 31, 2026**	**3.12**	**0.14**	**0.15**	**0.15**	**–**
	March 31, 2025	2.49	0.01	0.16	0.15	–
Cost recognised in profit and loss	**March 31, 2026**	**107.79**	**1.14**	**0.24**	**0.22**	**20.58**
	March 31, 2025	19.87	2.99	0.25	0.22	18.51

Notes to consolidated financial statements for the year ended March 31, 2026

f. Other comprehensive income

(₹ Crore)

Particulars		As at	Gratuity	Pension	Ex-gratia	PRMB	PF
i)	Actuarial (gain) / loss due to DBO experience changes	**March 31, 2026**	**(15.65)**	**(0.35)**	**0.06**	**0.14**	**5.92**
		March 31, 2025	13.56	0.97	0.12	(0.02)	2.10
ii)	Actuarial (gain) / loss due to assumption change	**March 31, 2026**	**(22.11)**	**(0.72)**	**(0.15)**	**(0.17)**	**6.33**
		March 31, 2025	7.09	0.55	0.04	0.05	(0.48)
iii)	Return on plan assets (greater) / less than discount rate	**March 31, 2026**	**(1.65)**	**(0.21)**	**–**	**–**	**3.37**
		March 31, 2025	(2.78)	(0.22)	–	–	(1.07)
iv)	Adjustment to recognize the effect of asset ceiling	**March 31, 2026**	**–**	**–**	**–**	**–**	**(0.40)**
		March 31, 2025	–	–	–	–	(0.55)
Actuarial (gain) / loss recognised in OCI		**March 31, 2026**	**(39.41)**	**(1.28)**	**(0.09)**	**(0.03)**	**15.22**
		March 31, 2025	17.87	1.30	0.16	0.03	–

g. For each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the total plan assets

Particulars		Gratuity		Pension		PF	
		March 31, 2026	March 31, 2025	**March 31, 2026**	March 31, 2025	**March 31, 2026**	March 31, 2025
i)	Government of India securities	**0.00%**	0.00%	**0.00%**	0.00%	**43.18%**	43.39%
ii)	Debt instruments and related investments/corporate bonds	**0.00%**	0.00%	**0.00%**	0.00%	**42.21%**	41.70%
iii)	Special deposit scheme	**0.00%**	0.00%	**0.00%**	0.00%	**0.00%**	0.00%
iv)	Insurer managed funds	**100.00%**	100.00%	**100.00%**	100.00%	**0.00%**	0.00%
v)	Mutual Funds	**0.00%**	0.00%	**0.00%**	0.00%	**0.00%**	0.00%
vi)	Equities and related investments	**0.00%**	0.00%	**0.00%**	0.00%	**14.61%**	14.91%
Total		**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

The overall expected rate of return on assets is based on the expectations of the average long term rate of return expected on investments of the fund during the estimated term of obligations.

h. Supplementary information as per Ind AS 19

(₹ Crore)

Particulars		As at	Gratuity	Pension	Ex-gratia	PRMB	PF
i)	Expected employer contribution for next year (₹ Crore)	**March 31, 2026**	**68.14**	**-**	**-**	**-**	**22.63**
		March 31, 2025	36.40	4.30	-	-	20.36
ii)	Weighted average duration of DBO (Years)	**March 31, 2026**	**8.51**	**3.50**	**3.95**	**5.50**	**12.86**
		March 31, 2025	8.92	4.00	4.48	6.26	12.55

Notes to consolidated financial statements for the year ended March 31, 2026

i. Following are the principal actuarial assumption used as at the balance sheet date

(₹ Crore)

Particulars	As at	Gratuity	Pension	Ex-gratia	PRMB	PF
Discount rate	**March 31, 2026**	**7.40%**	**7.40%**	**7.40%**	**7.40%**	**7.40%**
	March 31, 2025	6.80%	6.80%	6.80%	6.80%	6.80%
Expected rate of return on plan assets	**March 31, 2026**	**7.40%**	**7.40%**	**NA**	**NA**	**NA**
	March 31, 2025	6.80%	6.80%	NA	NA	NA
Salary escalation rate - management staff	**March 31, 2026**	**10.00%**	**NA**	**NA**	**NA**	**NA**
	March 31, 2025	10.00%	NA	NA	NA	NA
Salary escalation rate - non-management staff	**March 31, 2026**	**8.00%**	**NA**	**NA**	**NA**	**NA**
	March 31, 2025	8.00%	NA	NA	NA	NA
Annual increase in healthcare costs - upto 2025	**March 31, 2026**	**NA**	**NA**	**NA**	**6.00%**	**NA**
	March 31, 2025	NA	NA	NA	8.00%	NA
Annual increase in healthcare costs - 2026 onwards	**March 31, 2026**	**NA**	**NA**	**NA**	**6.00%**	**NA**
	March 31, 2025	NA	NA	NA	6.00%	NA
Guaranteed rate of return as declared by EPFO	**March 31, 2026**	**NA**	**NA**	**NA**	**NA**	**8.25%**
	March 31, 2025	NA	NA	NA	NA	8.25%
Mortality rate (in service)	**March 31, 2026**	**Indian Assured Lives Mortality (2012-14) Ult Table**				
	March 31, 2025	Indian Assured Lives Mortality (2012-14) Ult Table				

j. Expected benefit payment for the next years

(₹ Crore)

Particulars		March 31, 2027	March 31, 2028	March 31, 2029	March 31, 2030	March 31, 2031	2032- 2036
		March 31, 2026	March 31, 2027	March 31, 2028	March 31, 2029	March 31, 2030	2031- 2035
Gratuity	**March 31, 2026**	**38.39**	**27.30**	**22.59**	**27.68**	**33.72**	**171.48**
	March 31, 2025	28.26	21.08	21.87	19.11	20.34	138.93
Pension	**March 31, 2026**	**4.45**	**5.54**	**4.46**	**3.78**	**3.47**	**13.96**
	March 31, 2025	3.89	5.09	5.12	4.17	3.54	15.27
Ex-gratia	**March 31, 2026**	**0.80**	**0.36**	**0.32**	**0.29**	**0.36**	**1.32**
	March 31, 2025	0.73	0.44	0.36	0.32	0.30	1.53
PRMB	**March 31, 2026**	**0.44**	**0.28**	**0.30**	**0.31**	**0.31**	**1.52**
	March 31, 2025	0.34	0.24	0.27	0.29	0.29	1.52
PF	**March 31, 2026**	**1.30**	**1.30**	**1.30**	**1.30**	**1.30**	**4.05**
	March 31, 2025	0.51	0.51	0.51	0.51	0.51	1.67

Notes to consolidated financial statements for the year ended March 31, 2026

k. Quantitative sensitivity analysis for significant assumption is as shown below:

(₹ Crore)

Assumptions	Discount Rate		Future salary increase		Withdrawal Rate	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	5% increase	5% decrease
Gratuity						
March 31, 2026	**(14.16)**	**15.18**	**14.78**	**(13.94)**	**(16.81)**	**20.18**
March 31, 2025	(11.94)	12.83	12.43	(11.70)	(16.70)	16.29
Pension						
March 31, 2026	**(0.51)**	**0.53**	**NA**	**NA**	**0.04**	**(0.03)**
March 31, 2025	(0.63)	0.66	NA	NA	0.06	(0.03)
Ex-gratia						
March 31, 2026	**(0.04)**	**0.04**	**NA**	**NA**	**(0.41)**	**0.31**
March 31, 2025	(0.05)	0.05	NA	NA	(0.49)	0.25
PF						
March 31, 2026	**(6.83)**	**11.14**	**–**	**–**	**–**	**–**
March 31, 2025	(4.22)	6.50	–	–	–	–

Assumptions	Discount Rate		Medical Inflation		Withdrawal Rate	
Sensitivity level	0.5% increase	0.5% decrease	1% increase	1% decrease	5% increase	5% decrease
PRMB						
March 31, 2026	**(0.06)**	**0.06**	**0.13**	**(0.12)**	**(0.38)**	**0.29**
March 31, 2025	(0.07)	0.07	0.14	(0.13)	(0.44)	0.23

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

3. The Company has an obligation for compensated absences amounting to ₹ 107.60 Crore (March 31, 2025: ₹ 95.72 Crore)

Notes to consolidated financial statements for the year ended March 31, 2026

43 Related party disclosures

a) Name of the related party and nature of the relationship where control exists

Name of related party	Nature of relationship
Cummins Inc.	Holding Company

b) Transactions with related parties as per the books of account during the year ended March 31, 2026

(₹ Crore)

Transaction	Name of the party		Total
Purchase of goods	Tata Cummins Private Limited	**March 31, 2026**	**1,399.01**
		March 31, 2025	1,379.94
	Cummins Technologies India Private Limited	**March 31, 2026**	**1,317.31**
		March 31, 2025	1,065.28
	Others	**March 31, 2026**	**1,280.95**
		March 31, 2025	1,059.94
Sale of goods	Cummins Limited	**March 31, 2026**	**1,018.25**
		March 31, 2025	841.68
	Cummins Technologies India Private Limited	**March 31, 2026**	**462.73**
		March 31, 2025	411.61
	Others	**March 31, 2026**	**607.16**
		March 31, 2025	510.43
Purchase of assets	Cummins Inc.	**March 31, 2026**	**0.06**
		March 31, 2025	29.83
	Cummins Limited	**March 31, 2026**	**1.05**
		March 31, 2025	4.19
	Cummins Technologies India Private Limited	**March 31, 2026**	**2.07**
		March 31, 2025	3.95
	Others	**March 31, 2026**	**–**
		March 31, 2025	0.07
Sale of assets	Cummins Technologies India Private Limited	**March 31, 2026**	**–**
		March 31, 2025	8.11
	Cummins Power Solutions India Private Limited	**March 31, 2026**	**0.02**
		March 31, 2025	-
Services rendered (Refer note v)	Cummins Technologies India Private Limited	**March 31, 2026**	**225.26**
		March 31, 2025	203.70
	Valvoline Cummins Private Limited	**March 31, 2026**	**86.79**
		March 31, 2025	66.91
	Others	**March 31, 2026**	**68.76**
		March 31, 2025	60.76

Notes to consolidated financial statements for the year ended March 31, 2026

(₹ Crore)

Transaction	Name of the party		Total
Services received (Refer note vi)	Cummins Technologies India Private Limited	**March 31, 2026**	**48.98**
		March 31, 2025	27.66
	Others	**March 31, 2026**	**4.67**
		March 31, 2025	6.42
Royalty	Cummins Inc.	**March 31, 2026**	**77.94**
		March 31, 2025	70.65
Support services	Cummins Inc.	**March 31, 2026**	**213.01**
		March 31, 2025	102.93
	Cummins Africa Middle East (Pty) Ltd.	**March 31, 2026**	**9.51**
		March 31, 2025	7.66
Reimbursements paid	Cummins Technologies India Private Limited	**March 31, 2026**	**295.20**
		March 31, 2025	137.74
	Cummins Inc.	**March 31, 2026**	**27.77**
		March 31, 2025	18.57
	Others	**March 31, 2026**	**13.33**
		March 31, 2025	13.99
Reimbursements received (Refer note vii)	Cummins Technologies India Private Limited	**March 31, 2026**	**115.65**
		March 31, 2025	111.12
	Cummins Generator Technologies India Private Limited	**March 31, 2026**	**21.56**
		March 31, 2025	20.32
	Cummins Inc.	**March 31, 2026**	**23.06**
		March 31, 2025	17.78
	Others	**March 31, 2026**	**24.75**
		March 31, 2025	19.65
Remuneration paid (Refer note i and iii)	Key management personnel	**March 31, 2026**	**9.79**
		March 31, 2025	16.21
Dividend paid	Cummins Inc.	**March 31, 2026**	**756.34**
		March 31, 2025	537.21
Donations paid	Cummins India Foundation	**March 31, 2026**	**37.05**
		March 31, 2025	28.09

Notes to consolidated financial statements for the year ended March 31, 2026

(₹ Crore)

Transaction	Name of the party		Total
Contributions paid	Cummins India Limited Officers Provident Fund	**March 31, 2026**	**20.58**
		March 31, 2025	18.51
	Cummins Group Employees Superannuation Scheme	**March 31, 2026**	**19.23**
		March 31, 2025	20.68
	Cummins Group Employees Gratuity Scheme	**March 31, 2026**	**25.34**
		March 31, 2025	24.19
	Cummins India Limited Employees Group Gratuity cum Life Assurance Scheme	**March 31, 2026**	**11.28**
		March 31, 2025	13.35
	Cummins India Limited Workers Group Superannuation Scheme	**March 31, 2026**	**4.30**
		March 31, 2025	0.25
Sitting fees and commission (Refer note i)	Independent Directors	**March 31, 2026**	**1.36**
		March 31, 2025	1.48
Equity contribution - share based payments	Cummins Inc.	**March 31, 2026**	**14.38**
		March 31, 2025	15.23

Notes to consolidated financial statements for the year ended March 31, 2026

c. Amounts outstanding as at March 31, 2026

(₹ Crore)

Particulars	Name of related party		Total
Trade payables	Cummins Technologies India Private Limited	**March 31, 2026**	**423.76**
		March 31, 2025	314.39
	Tata Cummins Private Limited	**March 31, 2026**	**80.95**
		March 31, 2025	151.38
	Cummins Inc.	**March 31, 2026**	**179.69**
		March 31, 2025	195.55
	Others	**March 31, 2026**	**275.11**
		March 31, 2025	226.04
Other current financial / non-financial liabilities	Cummins Inc.	**March 31, 2026**	**150.48**
		March 31, 2025	110.61
	Others	**March 31, 2026**	**8.72**
		March 31, 2025	6.48
Trade receivables	Cummins Technologies India Private Limited	**March 31, 2026**	**158.63**
		March 31, 2025	134.25
	Cummins Limited	**March 31, 2026**	**150.36**
		March 31, 2025	130.82
	Valvoline Cummins Private Limited	**March 31, 2026**	**52.12**
		March 31, 2025	18.24
	Others	**March 31, 2026**	**119.33**
		March 31, 2025	164.33
Other current financial assets	Tata Cummins Private Limited	**March 31, 2026**	**4.73**
		March 31, 2025	4.55
	Cummins Inc.	**March 31, 2026**	**6.91**
		March 31, 2025	8.42
	Cummins Power Solutions India Private Limited	**March 31, 2026**	**–**
		March 31, 2025	5.16
	Others	**March 31, 2026**	**0.56**
		March 31, 2025	0.10

Notes to consolidated financial statements for the year ended March 31, 2026

i) The names of the related parties under the appropriate relationship included in notes 43(b) and (c) above are as follows:

Nature of relationship	Name of the party
Fellow subsidiaries	AxleTech India Private Limited
(with which there are transactions	Chongqing Cummins Engine Co Ltd
and / or outstanding balances)	CMI Group Holdings Cooperatief U.A.
	CMI TR Mtr Guc Sistemleri Satis Servis Ltd Sirketi
	Consolidated Diesel Company
	Cummins (China) Investment Co. Ltd.
	Cummins Africa Middle East (Pty) Ltd.
	Cummins Arabia FZCO
	Cummins Asia Pacific Pte. Ltd.
	Cummins Belgium NV
	Cummins Botswana (Pty) Ltd
	Cummins Brasil Ltda
	Cummins C&G Holding Limited
	Cummins Commercializadora S. de R.L. de C.V.
	Cummins Deutschland GmbH
	Cummins DKSH (Singapore) Pte Ltd
	Cummins DKSH (Thailand) Limited
	Cummins DKSH (Vietnam) LLC
	Cummins East Asia Research and Development Company Ltd.
	Cummins Emission Solutions Inc.
	Cummins Engine (Shanghai) Trading & Services Co., Ltd.
	Cummins France SA
	Cummins Fuel Systems (Wuhan) Co. Ltd.
	Cummins Generator Technologies Limited
	Cummins Ghana Limited
	Cummins Holland B.V.
	Cummins Italia SPA
	Cummins Japan Limited
	Cummins Kuwait Electrical Tools and Equipment Trading and Cont.
	Cummins Limited
	Cummins Maroc SARL
	Cummins Middle East FZE
	Cummins Natural Gas Engines, Inc.
	Cummins Norway AS
	Cummins NV
	Cummins Power Generation (China) Co., Ltd.
	Cummins Power Generation Inc.
	Cummins Power Generation Limited
	Cummins Power Generation Limited UK
	Cummins Power Solutions India Private Limited
	Cummins PowerTech India Private Limited
	Cummins Qatar LLC

Notes to consolidated financial statements for the year ended March 31, 2026

Nature of relationship	Name of the party
	Cummins Romania SRL
	Cummins Sales and Service Korea Co Ltd
	Cummins Sales and Service Philippines Inc.
	Cummins Sales and Service Sdn. Bhd.
	Cummins Sales and Service Singapore Pte. Ltd.
	Cummins Saudi Arabia LLC
	Cummins South Africa (Pty.) Ltd.
	Cummins South Pacific Pty Ltd
	Cummins Spain SL
	Cummins Sales and Service Private Limited (Refer Note 47)
	Cummins Vendas e Servicos de Motores e Geradores Ltda.
	Cummins West Africa Limited
	Cummins Westport Inc.
	Cummins Zambia Ltd.
	Distribuidora Cummins Centroamerica Costa Rica, S.de R.L.
	Distribuidora Cummins Centroamerica Guatemala Ltda.
	Distribuidora Cummins Centroamerica Honduras, S.de R.L.
	Distribuidora Cummins Chile SA
	Distribuidora Cummins de Panama S. de R.L.
	Distribuidora Cummins Peru SAC
	Distribuidora Cummins S.A.
	Distribuidora Cummins Sucursal Paraguay SRL
	Hydrogenics Europe N.V.
	Komatsu Cummins Chile Ltda.
	Meritor Commercial Vehicle Systems India Private Limited
	Meritor HVS (India) Limited
	Taiwan Cummins Sales & Services Co. Ltd.
	TCPL Green Energy Solutions Private Limited
Key management personnel	- Ashwath Ram - Managing Director (upto August 31, 2024)
	- Shveta Arya - Managing Director (w.e.f. September 1, 2024)
	- Ajay Patil - Chief Financial Officer (upto January 9, 2025)
	- Prasad S Kulkarni - Interim Chief Financial Officer (w.e.f. January 10, 2025 upto July 20, 2025)
	- Soma D Ghosh - Chief Financial Officer (w.e.f. July 21, 2025)
	- Vinaya Joshi - Company Secretary
	- Jennifer Mary Bush - Chairman of the Board, Non-executive Director
	- Donald Jackson - Non-executive Director
	- Bonnie Jean Fetch - Non-executive Director (upto May 29, 2025)
	- Cornelius O'Sullivan - Non-executive Director (w.e.f. November 8, 2024)
	- Thierry Bruno Pimi Nouyeuwe - Non-executive Director (w.e.f. August 9, 2025)
	Independent Directors
	- Nasser Munjee (upto July 31, 2024)

Notes to consolidated financial statements for the year ended March 31, 2026

Nature of relationship	Name of the party
	- Sekhar Natarajan (w.e.f. May 29, 2024)
	- Farokh N Subedar (w.e.f. May 29, 2024)
	- Lira Goswami
	- Rajeev Bakshi (upto July 31, 2024)
	- Rama Bijapurkar (upto June 16, 2025)
	- Vibha Paul Rishi (w.e.f. August 9, 2025)
	- Rekha
Associate and Enterprise with common key management personnel	Cummins Generator Technologies India Private Limited
Joint venture and Enterprise with common key management personnel	Valvoline Cummins Private Limited
Enterprise with common key management personnel	Tata Cummins Private Limited
	Cummins India Foundation
	Caltherm Thermostats Private Limited (upto August 31, 2024)
Employees benefit plans where there is significant influence	Cummins India Limited Officers Provident Fund
	Cummins Group Employees Superannuation Scheme
	Cummins India Limited Workers Group Superannuation Scheme
	Cummins Group Employees Gratuity Scheme
	Cummins India Limited Employees Group Gratuity cum Life Assurance Scheme

Terms and conditions of transactions with related parties:

ii) Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2026, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

iii) Liability for post employment benefits, other long term benefits, termination benefits and certain short term benefits such as compensated absences is provided on an actuarial basis for the Company as a whole. Accordingly the amount for above pertaining to key management personnel is not ascertainable and, therefore, not included above.

iv) Related party transaction, the amount of which is in excess of 10% of the total related party transactions of the same type are disclosed separately.

v) Services rendered include renting services, testing services, business support services, etc.

vi) Services received include testing services, solution contract support services, license fees, etc.

vii) Includes recoveries on account of employee cost, travel costs, training, IT services, etc.

viii) All transactions entered into with related parties are made on terms equivalent to those that prevail in arm's length transaction.

Notes to consolidated financial statements for the year ended March 31, 2026

44 Segment information

On a review of all the relevant aspects including, in particular, the system of internal financial reporting to the Board of Directors, which is the Chief Operating Decision Maker ('CODM') and considering the economic characteristics of the operations, the Group is of the view that it operates in two segments viz. 'Engines' and 'Lubes'. Lubes segment comprises of a joint venture viz. Valvoline Cummins Private Limited, which is accounted for as per equity method under relevant Ind AS standard. The CODM evaluates the Group's performance based on an analysis of various parameters. Engine segment comprises of Cummins India Limited and other Group companies, which has been aggregated considering the nature of products, class of customer etc.

Following information is provided to the CODM for Lubes segment for monitoring its performance:

(₹ Crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2026*	Elimination/ Adjustments	Total
	Engines	Lubes		
Sales	**11,949.73**	**3,009.10**	**3,009.10**	**11,949.73**
Profit before tax	**2,973.34**	**301.19**	**188.58**	**3,085.95**
Profit after tax *	**2,249.14**	**225.22**	**112.61**	**2,361.75**

(₹ Crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2025*	Elimination/ Adjustments	Total
	Engines	Lubes		
Sales	10,219.24	2,352.27	2,352.27	10,219.24
Profit before tax	2,492.42	269.15	168.76	2,592.81
Profit after tax *	1,899.55	200.78	100.39	1,999.94

Notes:

* The above numbers represent full numbers in the Statement of Profit and Loss of Valvoline Cummins Private Limited and are not Group's proportionate share.

For relevant information relating to Engines segment refer consolidated Statement of Profit and Loss and Balance Sheet and refer Note 40 for Lubes segment.

All non-current assets of the Group other than financial instruments and investments accounted for using equity method, are located in India.

Sales of approximately ₹ 3,734.71 Crore (March 31, 2025: ₹ 2,226.78 Crore) are derived from three (March 31, 2025: two) external customers. These sales are attributed to single segment i.e. Engines. located in India.

45 As set out in section 135 of the Companies Act, 2013, the Group is required to contribute ₹ 28.09 crore (March, 31 2024: ₹ 20.07 crore) towards Corporate Social Responsibility activities, as calculated basis 2% of its average net profits of the last three financial years. Accordingly, during the current year, the Board has approved and the Group has contributed ₹ 37.05 crore (March 31, 2025: ₹ 28.09 crore) to Cummins India Foundation towards eligible projects as mentioned in Schedule VII (including amendments thereto) of the Companies Act, 2013 and ₹ 0.05 crore (March 31, 2025: ₹ Nil) towards social impact assessment. Apart from the above, the Group has not made any direct expenditure/contributions of capital nature. Unspent contribution amounting to ₹ 0.31 crore (March, 31 2025: ₹ 1.62 crore) has been transferred by the Company to a separate bank account as per the requirement.

Notes to consolidated financial statements for the year ended March 31, 2026

46 Financial risk management objectives and policies

Financial risk factors:

The Group has well written policies covering specific areas, such as foreign exchange risk and investments which seek to minimise potential adverse effects on the Group's financial performance due to external factors. The Group uses derivatives to hedge foreign exchange risk exposures. The Group's senior management oversees the management of these risks. All derivatives and investment activities for risk management purposes are carried out by specialist team that has appropriate skills, experience and supervision. As per the Group's policy, no trading in derivatives for speculation purpose may be undertaken. The Board of Directors reviews and approves policies for managing each of these risks.

The Group's activities are exposed to variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks as follows:

i) Foreign currency risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and Euro. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities denominated in a currency that is not the Group's functional currency.

Management has set up a policy to manage their foreign exchange risk against their functional currency. To manage the foreign exchange risk arising from recognised assets and liabilities, the Group uses forward contracts.

The following table demonstrates the sensitivity relating to possible change in foreign currencies with all other variables held constant:

(₹ Crore)

Currency	% change	Effect on profit before tax and pre-tax equity	
		March 31, 2026	March 31, 2025
USD	1%	**0.54**	0.52
Euro	1%	**0.12**	0.20
Others	1%	**0.08**	0.18
Total		**0.74**	**0.90**

The movement in the pre-tax effect is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and financial assets and liabilities denominated in various currencies. Although the derivatives have not been designated in a hedge relationship, they act as economic hedge and offset the under lying transactions when they occur.

ii) Interest rate risk

Interest rate risk is the fair value of future cash flows of a financial instrument which fluctuates because of changes in the market interest rates. In order to optimise the Group's position with regards to interest

Notes to consolidated financial statements for the year ended March 31, 2026

income and interest expense, treasury team manages the interest rate risk by balancing the portion of fixed rate and floating rate in its total portfolio.

The Group has no borrowings as at March 31, 2026 and March 31, 2025.

iii) Price risk

The Group invests its surplus funds in mutual funds which are linked to debt markets. The Group is exposed to price risk for investments in mutual funds that are classified as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio. Diversification and investment in the portfolio is done in accordance with the limits approved by the Board of Directors.

The following table demonstrates the sensitivity relating to possible change in investment value with all other variables held constant:

(₹ Crore)

Currency	% change	Effect on profit before tax and pre-tax equity	
		March 31, 2026	March 31, 2025
Mutual funds	0.50%	**6.80**	2.86

Profit after tax for the year would increase/decrease as a result of gains/losses on mutual funds classified as at fair value through profit or loss.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligation under financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk primarily from trade receivables, contract assets, other receivables, deposits with banks and investments.

Trade receivable and contract assets

Senior management is responsible for managing and analysing the credit risk for each new customer before standard payment, delivery terms and conditions are offered. The Group assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment. The utilisation of credit limits is regularly monitored.

An impairment analysis is performed at each reporting date for all customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 10 and 13 and contract assets.

Other receivables, deposits with banks and investments

Credit risk from balances with banks is managed by the Group's treasury department in accordance with Group's policy approved by the Risk Management Committee. Investments of surplus funds are made within the credit limits and as per the policy approved by the Board of Directors.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance of the above assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 5, 9, 11, 12 and 13.

Notes to consolidated financial statements for the year ended March 31, 2026

c) Liquidity risk

Cash flow forecasting is performed by Treasury function. Treasury team monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet the operational needs. Such forecasting takes into consideration the compliance with internal cash management policy.

As per the Group's policy, treasury team invests surplus cash in marketable securities and time deposits with appropriate maturities or sufficient liquidity to provide headroom to meet the operational needs. At the reporting date, the Group held mutual funds of ₹ 1,359.87 crore (March 31, 2025: ₹ 572.43 crore) and other liquid assets of ₹ 688.57 crore (March 31, 2025: ₹ 594.68 crore) that are expected to readily generate cash inflows for managing liquidity risk.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

(₹ Crore)

As at March 31, 2026	On Demand	Less than 12 months	1-5 years	More than 5 years
Lease liabilities including interest	–	**12.02**	**26.41**	**9.16**
Trade payables	–	**1,649.98**	–	–
Royalty and support services	–	**159.20**	–	–
Unpaid dividend	**15.43**	–	–	–
Retention money	–	**1.06**	**6.59**	–
Deposits	–	–	**22.81**	–
Capital Creditors	–	**8.99**	**3.36**	–
Others	–	**56.82**	**9.04**	–

(₹ Crore)

As at March 31, 2025	On Demand	Less than 12 months	1-5 years	More than 5 years
Lease liabilities including interest	–	10.41	20.66	5.85
Trade payables	–	1,567.10	–	–
Royalty and support services	–	98.55	–	–
Unpaid dividend	14.18	–	–	–
Retention money	–	2.43	8.44	–
Deposits	–	–	33.90	–
Capital Creditors	–	63.99	0.87	–
Others	–	41.28	10.26	–

d) Capital management

The Group's objectives when managing capital is to provide maximum returns to shareholders, benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group manages its capital structure and makes adjustments in light of changes in economic conditions.

Gearing ratio is not calculated as the Group has Nil borrowings.

Notes to consolidated financial statements for the year ended March 31, 2026

47 Fair values

The following table provides a comparison by class of the carrying amounts and fair value of the Group's financial instruments other than those with carrying amounts that are reasonable approximations of fair values.

(₹ Crore)

Particulars	Carrying value at March 31		Fair value at March 31	
	2026	2025	**2026**	2025
Financial assets:				
FVTPL of investments in mutual funds & bonds	**1,359.87**	572.43	**1,359.87**	572.43
FVTPL of Foreign exchange forward contracts	**1.27**	2.24	**1.27**	2.24
FVTOCI of investments in quoted Bonds/NCD	**188.56**	359.69	**188.56**	359.69

The Management assessed that the fair values of cash and cash equivalents, other bank balances, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. Fair value of other non-current financial liabilities also approximates its carrying amount.

The fair value of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of investments in mutual funds is based on the price quotation at the reporting date obtained from the asset management companies. The Group enters into derivative financial instruments with various counterparties, principally financial institutions. Foreign exchange forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method as defined in accounting policy 1c.

(₹ Crore)

Particulars	**Quoted prices in active markets**	**Significant observable inputs**	**Significant unobservable inputs**	**Total**
	Level 1	**Level 2**	**Level 3**	
Financial assets at FVTPL				
Investments in mutual funds & bonds				
March 31, 2026	**–**	**1,359.87**	**–**	**1,359.87**
March 31, 2025	–	572.43	–	572.43
Forward contracts assets				
March 31, 2026	**–**	**1.27**	**–**	**1.27**
March 31, 2025	–	2.24	–	2.24
Financial assets at FVTOCI				
Investments in certificate of deposit				
March 31, 2026	**188.56**	**–**	**–**	**188.56**
March 31, 2025	359.69	–	–	359.69

There has been no transfer between Level 1 and Level 2 during the year.

Notes to consolidated financial statements for the year ended March 31, 2026

48 Additional information Statutory group information

Particulars	Net assets i.e. total assets minus total liabilities		Share in profit and (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ Crore	As % of consolidated profit and loss	₹ Crore	As % of consolidated other comprehensive income	₹ Crore	As % of consolidated total comprehensive income	₹ Crore
Parent								
Cummins India Limited								
Balance as at March 31, 2026	**93.19%**	**7,897.81**	**98.66%**	**2,330.18**	**88.33%**	**18.24**	**98.57%**	**2,348.42**
Balance as at March 31, 2025	92.81%	7,018.03	95.29%	1,905.78	99.84%	(12.71)	95.26%	1,893.07
Subsidiary (Indian)								
Cummins Sales & Service Private Limited (Refer Note 50)								
Balance as at March 31, 2026	**0.00%**	**–**	**0.00%**	**–**	**0.00%**	**–**	**0.00%**	**–**
Balance as at March 31, 2025	0.58%	43.58	0.41%	8.19	0.22%	(0.03)	0.41%	8.16
Associate (Indian)*								
Cummins Generator Technologies India Private Limited								
Balance as at March 31, 2026	**–**	**876.07**	**6.51%**	**153.70**	**6.34%**	**1.31**	**6.51%**	**155.01**
Balance as at March 31, 2025	–	797.94	8.37%	167.39	6.07%	(0.77)	8.38%	166.62
Joint Venture (Indian)*								
Valvoline Cummins Private Limited								
Balance as at March 31, 2026	**–**	**354.06**	**4.77%**	**112.61**	**5.31%**	**1.10**	**4.78%**	**113.71**
Balance as at March 31, 2025	–	326.15	5.02%	100.40	(6.18%)	0.79	5.10%	101.18
Adjustments arising out of consolidation								
March 31, 2026	**6.81%**	**577.35**	**(9.94%)**	**(234.74)**	**0.02%**	**–**	**(9.86%)**	**(234.74)**
March 31, 2025	6.61%	499.79	(9.09%)	(181.81)	0.05%	(0.01)	(9.16%)	(181.82)
Total for March 31, 2026	**100.00%**	**8,475.16**	**100.00%**	**2,361.75**	**100.00%**	**20.65**	**100.00%**	**2,382.40**
Total for March 31, 2025	**100.00%**	**7,561.40**	**100.00%**	**1,999.95**	**100.00%**	**(12.73)**	**100.00%**	**1,987.21**

* The net assets of the entity have not been consolidated under the equity method.

Notes to consolidated financial statements for the year ended March 31, 2026

49 Relationship with struck off companies

During the year ended March 31, 2026, the Group has not entered into any transactions with the companies whose names were struck off under applicable regulations.

50 Exceptional items

1. The Government of India, on November 21, 2025, notified the four Labour Codes - Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and Occupational Safety, Health and Working Conditions Code, 2020 - subsuming 29 existing labour laws. The Company has recorded an impact of ₹ 94.20 crore for the year ended March 31, 2026. As this impact is material, regulatory-driven, and non-recurring, the same is presented under "Exceptional Items" in the consolidated financial statements for the year ended March 31, 2026. The impact corresponding to joint venture and associate amounting to a net expense of ₹ 8.36 crore for the year ended March 31, 2026 has been reported under "Share of profit of joint venture and associate after tax" in the consolidated financial statements. The Company continues to monitor the Central/State Rules and clarifications from the Government on other aspects of the Labour Codes and would provide appropriate accounting effect on the basis of such developments as needed.

2. The Group has sold 100% stake in its wholly owned subsidiary, namely, Cummins Sales & Service Private Limited ("CSSPL") and gain amounting to ₹ 12.59 Cr. has been recorded in the consolidated financial statements for the year ended March 31, 2026. Consequent to the transfer of its shares, CSSPL ceased to be a subsidiary of the Company effective April 1, 2025.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration Number: 304026E/E-300009

Pravin Rajani
Partner
Membership Number: 127460

Place: **Mumbai**
Date: **May 27, 2026**

For and on behalf of the Board

Shveta Arya
Managing Director
DIN: 08540723

Farokh Subedar
Director
DIN: 00028428

Vinaya Joshi
Company Secretary
PAN: AMQPJ5216P

Soma D Ghosh
Chief Financial Officer
PAN: AAYPG5499B

Place: **Mumbai**
Date: **May 27, 2026**

FY 2025-2026

Business Responsibility and Sustainability Report

EXECUTIVE SUMMARY



SHVETA ARYA
Managing Director,
Cummins India Limited

At Cummins India Limited, we are driven by a singular purpose of making people's lives better by powering a more prosperous world. As India advances toward a low-carbon future, we continue our journey of delivering strong performance while creating long-term value.

India stands at a pivotal moment of growth, with expanding infrastructure, industrial progress and rising energy demand. As this momentum builds, so does the responsibility to ensure that growth is efficient, inclusive and responsible. At Cummins India Limited, we see this as an opportunity to contribute meaningfully to India's energy transition.

Sustainability is integral to how we operate and grow. Anchored in climate action, we support our customers in their transition to cleaner, smarter and more efficient power solutions.

By combining deep engineering expertise with strong manufacturing and supply chain capabilities, along with disciplined execution, we are reimagining energy through innovation and delivering solutions at scale, translating innovation into real-world impact across the sectors we serve.

Our growth is guided by strong governance, ethical practices and a focus on creating measurable impact for our communities and the environment. People remain at the heart of this journey. Grounded in our core values of Integrity, Caring, Excellence and Teamwork, we foster a workplace where Diversity, Equity, Inclusion and Culture (DEIC) are embedded in everyday actions.

As we look ahead, we remain focused on building capabilities, strengthening partnerships and delivering long-term value for our customers, communities and stakeholders.

Powering a more responsible future

In a rapidly evolving world, the measure of progress lies in how responsibly it is created, shared and sustained. For over six decades, Cummins India Limited (CIL) has been part of India's industrial and infrastructure growth, enabling progress through dependable solutions, strong values and a clear sense of purpose.

As we advance from strong performance to long-term value creation, Environmental, Social and Governance (ESG) priorities remain embedded in how we operate, innovate and grow. They shape how we create value for our stakeholders, strengthen resilience and contribute to a more sustainable future.

As businesses, communities and economies expand, our role continues to evolve from serving industries to advancing growth that is responsible, inclusive and future-ready. Our focus remains on advancing cleaner and smarter technologies, strengthening ethical and inclusive practices, building resilient operations and contributing meaningfully to the communities around us.

Power to Lead with Purpose carries this commitment forward. It showcases our resolve to grow responsibly, act with purpose and create impact that stands the test of time. Guided by ESG principles, we continue to create long-term value for our people, customers, partners, communities and the planet.

Corporate Responsibility

Progress that creates value, purpose that creates impact

Cummins India Limited (CIL) carries out it's CR activities through Cummins India Foundation (CIF), where every step forward is guided by the responsibility to create lasting value for our stakeholders. Through innovation, operational excellence and a deep understanding of our customers' needs, we continue to align our products, practices and people with sustainable thinking.

Our approach combines business performance with environmental stewardship, social progress and strong governance, ensuring that growth creates meaningful outcomes for us, our customers, our communities and the world we share.

Impact numbers

ORGANIC WASTE MANAGEMENT

250 tons
of Nirmalya waste converted into compost

INORGANIC WASTE MANAGEMENT

400,000+ citizens
reached through awareness and collection efforts

205 metric tons
of plastic waste collected and responsibly recycled

25
permanent weekend collection centers

ZERO WASTE COMMUNITIES PROJECT

3,900+ residents
positively impacted across low-income communities

5
major chronic waste dumping sites eliminated

85%
door-to-door waste collection coverage achieved

CLEANER AIR BETTER LIFE (CABL) INITIATIVE

793 villages
covered across Punjab and Haryana

97% → 50%
shift in crop residue burning from 2017 to 2023, as per CABL's CAHS 2024 Report

URBAN WATERSHED MANAGEMENT

1.2 KM
stretch desilted near Khadakwasla Dam

900+ million
gallons of water conserved

2 new ponds
created in Pune

MONSOON RESILIENT MAHARASHTRA (MRM)

14 villages
covered in the Dharashiv district

150 acres
covered under bio-input farming

180 women
entrepreneurs covered through goatry skill upgradation

CLEAN TECHNOLOGY

7 startups
enabled in FY 2025-26

LOCAL COMMUNITY CARE

25+ AI
smart glasses provided

100+ lives
improved through mobility interventions

10 youth
engaged in vocational skill-building

AFFORESTATION AND BIODIVERSITY

20,200+ trees
planted and nurtured

90% tree
survival rate reflecting strong ecosystem stewardship

PHALTAN TOWN DEVELOPMENT

14,500+ people
positively impacted across residents, students, staff and visitors

10+ acres
eco-friendly garden upgraded

9,000+ students
benefited through Smart Town improvements

$24^{th} \rightarrow 10^{th}$
state-level ranking improved under Mazi Vasundhara Abhiyan

NURTURING BRILLIANCE SCHOLARSHIP PROGRAM

3,000+ students
benefited since inception

6 government colleges
covered under the program

170+ private institutions
covered under the program

500+ students
benefited in FY 2025-26

2022-2025 cycle
impact assessment conducted to identify outcomes and improvement areas

TECHNICAL EDUCATION FOR COMMUNITIES (TEC)

1,900+ students
covered across sites in India

1,000+ graduates
placed across the ITI ecosystem

10 ITIs
covered under the cluster-based employability pilot

RURAL DEVELOPMENT PROGRAMS

90,000+ individuals
benefited

30,000 villagers
gained access to potable water

500+ million gallons
of water conserved

Rs. 10+ crore
leveraged through convergence

3,700+ students
impacted annually

CUMMINS POWERS WOMEN (CPW)

L.E.A.P

5,200+ students | 9 schools

The Gender Equity Initiative

5,700+ individuals impacted

Project Sakhi

4,000+ people reached | INR 5+ crore benefits unlocked

The Girls' Voices Initiative

6,600+ girl leaders trained

Cybershiksha for Cybersuraksha

17,000+ children | 75+ schools

Leadership Accelerator

25 civil society leaders trained

EMPOWHER

700+ women

impacted across rural communities, including Nandurbar

70 women-led SHGs

formed and trained in entrepreneurship

CUMMINS COLLEGE OF ENGINEERING FOR WOMEN (CCEW)

Established

the Pune campus in 1991 and the Nagpur campus in 2010

900+ young women

benefited in FY 2025-26

NAAC A and A+ accreditation

achieved by Pune and Nagpur campuses

Goals

FUNCTION	GOALS
Code of Business Conduct	**Achieve zero waste growth and minimize single-use plastics in our facilities and operations by 2030 with 2018 as the baseline**
Human Rights Policy	**Achieve gender diversity of 50% in the permanent employee category by 2040**
HSE Policy	**Achieve zero waste growth and minimize single-use plastics in our facilities and operations by 2030 with 2018 as the baseline** **Reduce absolute Greenhouse Gas (GHG) emissions from facilities and operations by 50% by 2030**
Corporate Responsibility	**Achieve 25% representation from candidates in aspirational districts through the education assistance program by FY 2029-30** **Cover 10 new villages every year in aspirational districts by FY 2029-30** **Continue to equip 5,000 students every year on life and employability skills by FY 2029-30**

Environment

Sustainability in action, responsibility at the core

At Cummins India Limited, caring for the environment is central to how we think, innovate and operate. Addressing climate change calls for technology leadership that creates meaningful, measurable outcomes. With environmental goals aligned with 12 of the 17 UN Sustainable Development Goals (SDGs), we continue to define how we advance sustainability across our operations, products and partnerships.

For us, environmental stewardship guides our efforts to decarbonize operations, improve resource efficiency, advance the energy transition and support customers and communities in building resilience. Through focused action on waste, water, biodiversity and clean technology, we continue to create environmental impact that is measurable, scalable and lasting.

This commitment is reflected both in our operational initiatives and our community-led environmental programs.

FY 2025-26 IMPACT

CORPORATE RESPONSIBILITY ENVIRONMENT PROJECTS

604,095

total number of people who benefited

413,203

supported through the Solid Waste Management initiatives

27,170

benefited under the Monsoon Resilient Maharashtra initiative

8,400

gained access to clean drinking water through the Water Neutrality Projects

15,000

benefited through the Cleaner Air Better Life initiative

1,440 million gallons

of water conserved



WASTE MANAGEMENT

Collective action for a cleaner tomorrow

Cummins India Limited supports cleaner communities through organic and inorganic waste management initiatives with civic bodies, NGO partners, schools, colleges and communities, focusing on segregation, scientific disposal, recycling and awareness.



ORGANIC WASTE MANAGEMENT

Building on Nirmalya and Patravali festival waste programs, we collaborated with the Pune Municipal Corporation (PMC) to decentralize waste collection systems and centralize composting units during major festivals in Maharashtra. In FY 2025-26, the compost generated was used in Pune's gardens and by local farmers, creating a sustainable value chain.

250 tons

of Nirmalya waste converted into compost

ZERO WASTE COMMUNITIES PROJECT

This project improves source segregation, scientific disposal and behavior change in underserved communities through NGO partnerships and community ownership.



3,900+ residents

positively impacted across low-income communities

85%

door-to-door waste collection coverage achieved

5

major chronic waste open dumping sites eliminated

INORGANIC WASTE MANAGEMENT

Cummins India Limited and its partners address plastic and e-waste through awareness programs in schools, colleges and residential areas, along with zero-contact collection drives across permanent weekend centers and citywide events.

400,000+ citizens

reached through awareness and collection efforts

205 metric tons

of plastic waste collected and responsibly recycled

54 metric tons

of e-waste collected and responsibly recycled

25

permanent weekend collection centers

Protecting resources, powering responsibility

Across communities, our corporate responsibility projects continue to enable cleaner, greener and more resilient ecosystems.

CLEANER AIR BETTER LIFE (CABL) INITIATIVE

This program unites industry, entrepreneurs, governments and civil society to address key sources of air pollution. Initiated through four task forces established by Cummins India Limited and NITI Aayog in 2017, CABL continues to advance action plans for cleaner air across urban and rural India. In FY 2025-26, the initiative progressed through urban interventions and crop residue management across Punjab and Haryana, while in Pune, coalitions, data collection and community mobilization strengthened air quality efforts.

793 VILLAGES

covered across Punjab and Haryana

97% → 50%

shift in crop residue burning from 2017 to 2023, as per CABL's CAHS 2024 Report





MONSOON RESILIENT MAHARASHTRA (MRM)

Focused on addressing water scarcity, the program helps communities reduce monsoon dependency and build climate resilience. The watershed model combines hydrogeological studies, GIS mapping, community participation and stakeholder collaboration, with interventions across land treatment, water harvesting, irrigation, bio-input farming and livelihoods.





14 villages

covered in Dharashiv district

311 hectares

treated through saline land reclamation, trenching and farm bunding

150 acres

covered under bio-input farming

180 women entrepreneurs

covered through goatry skill upgradation

URBAN WATERSHED MANAGEMENT

India's growing water stress, intensified by climate change and urban expansion, calls for integrated action. Cummins India Limited's water initiatives focus on conservation, recharge and pollution mitigation. In FY 2025-26, we undertook desilting near the Khadakwasla Dam and created new ponds in Pune to improve water availability, storage capacity and urban water resilience.



1.2 KM

stretch desilted near Khadakwasla Dam

900+ million gallons

of water conserved

2 new ponds

created in Pune

AFFORESTATION AND BIODIVERSITY

To counter the impact of rapid urbanization on green spaces, CIL advances afforestation around its facilities in India. In FY 2025-26, efforts with NGOs, local communities, the Forest Department and defense organizations strengthened climate resilience, biodiversity conservation and groundwater recharge.



20,200+ trees

planted and nurtured



90% tree survival rate

reflecting strong ecosystem stewardship

CLEAN TECHNOLOGY

With rising temperatures and shifting weather patterns, cleaner products and services are crucial to reducing resource use and environmental impact. Cummins India Foundation (CIF) partners with reputed incubation centers in India to fund early-stage startups working toward healthier, cleaner and resilient communities.

3 focus areas

- **Circular economy**
- **Sustainable mobility**
- **Clean energy**

7 startups

enabled in FY 2025-26

Social

People-first progress: Creating opportunities, strengthening communities

Social responsibility is central to how Cummins India Limited creates meaningful progress within the organization and across the communities we serve. Through purposeful action, strong partnerships and employee-led engagement, we work to build stronger, more vibrant communities.

In FY 2025–26, as Cummins India Foundation marked 35 years of community impact, we continued to advance inclusive development across education, employability, equity and environmental sustainability. Guided by our values and strengthened through long-term partnerships, our initiatives create opportunities that help individuals and communities thrive.

CORPORATE RESPONSIBILITY PRIORITY AREAS

Spearheaded by Cummins India Foundation, our Corporate Responsibility initiatives foster prosperous communities and meaningful employee participation. Through Every Employee Every Community (EEEC) program, employees bring their skills, experiences and empathy to serve communities.

Rooted in our value of Caring, EEEC turns professional expertise into purposeful action guided by three global priorities.

THREE GLOBAL PRIORITIES. ONE SHARED PURPOSE.

Education

Equity

Environment

FY 2025–26 IMPACT

604,095

people benefited

17

Corporate Responsibility projects



CORPORATE RESPONSIBILITY PROJECTS

NURTURING BRILLIANCE SCHOLARSHIP PROGRAM

Jointly run by Cummins India Limited and Cummins Group Companies in India, this flagship education initiative enables meritorious students from financially and socially disadvantaged backgrounds to pursue engineering degrees and diplomas through fee reimbursement, laptops, mentorship, soft skills training and career guidance. In FY 2025-26, the Nurturing Brilliance Wings initiative introduced equitable pathways for aspiring students with disabilities.



3,000+ students
benefited since inception

6 government colleges
covered under the program

170+ private institutions
covered under the program

473 students
benefited in FY 2025-26

2022-2025 cycle
impact assessment conducted to identify outcomes and improvement areas

CUMMINS TECHNICAL EDUCATION FOR COMMUNITIES (CUMMINS TEC)

This global initiative strengthens technical vocational education by equipping youth with employable skills for quality jobs. The initiative helps narrow the gap between industry needs and jobseeker capabilities through market-relevant curricula, teacher training, career guidance and work-based learning. In FY 2025-26, we worked across Phaltan, Kolhapur and Dharashiv and piloted a cluster-based employability model across ITIs in Maharashtra.

385 students
covered across sites in India

1,000+ graduates
placed across the ITI ecosystem

10 ITIs
covered under the cluster-based employability pilot



PHALTAN TOWN DEVELOPMENT

Guided by the vision of making Phaltan one of India's most livable and progressive towns in its category, the project strengthened civic infrastructure, sustainability and quality of life through the Clean Town, Green Town and Smart Town initiatives. Work included bus station upgrades, drinking water systems, sanitation renovation, bus depot concretization, AI Lab workshop space, eco-friendly garden development, toddler play zones, school digital panels, CCTV systems and kitchen upgrades. The efforts also improved Phaltan Nagar Parishad's regional and state recognition.

67,000 people
positively impacted across residents, students, staff and visitors

10+ acres
eco-friendly garden upgraded

9,000+ students
benefited through Smart Town improvements

24th → 10th
state-level ranking improved under Mazi Vasundhara Abhiyan





RURAL DEVELOPMENT PROGRAMS

Cummins India Limited's rural development efforts in FY 2025-26 focused on building resilient, inclusive and self-reliant rural communities, including aspirational districts such as Nandurbar, Damoh, Khunti and Ranchi. Under Aspirational Rural Development, the Model Village program followed an integrated approach across water security, climate-resilient agriculture, education infrastructure and women's livelihoods, strengthening community ownership while improving farm productivity, school facilities, income opportunities and long-term rural resilience across Maharashtra, Jharkhand and Madhya Pradesh.



50,000+ individuals

benefited

30,000 villagers

gained access to potable water

500+ million gallons

of water conserved

Rs 10+ crore

benefited in FY 2025-26

3,700+ students

impact assessment conducted to identify outcomes and improvement areas

LOCAL COMMUNITY CARE

CIL continued working with NGOs serving specially-abled individuals and vulnerable groups through infrastructure upgradation, assistive technology and reduced recurring operational expenses. In FY 2025-26, AI smart glasses, mobility training, smart canes, kitchen garden maintenance and sensory garden upkeep improved accessibility, independence and inclusion. Sheltered workshops, along with dedicated jute bag and braille printing production units, helped build vocational skills and livelihood pathways for youth with disabilities.

25+ AI

smart glasses provided

100+ lives

improved through mobility interventions

10 youth

engaged in vocational skill-building





Diversity, Equity, Inclusion and Culture (DEIC)

Difference that drives our collective strength

For over six decades, CIL has advanced DEIC with the belief that a truly diverse workplace enriches communities, fuels innovation, supports business growth and creates meaningful social impact. We continue to build a culture where different experiences, identities and perspectives are valued, enabling our people to thrive and contribute fully.

Our ability to attract and retain diverse talent remains central to our success. As workforce expectations evolve, we continue to refine our talent practices and build a more inclusive culture, using the power of difference to solve complex challenges and deliver better outcomes for our customers.

Our Employee Resource Groups (ERGs) bring different dimensions of diversity into focus:

- **Gender**
- **Generation**
- **Culture**
- **Persons with Disability (PwD)**
- **LGBTQIA+**

OUR WORKPLACE

GENDER DIVERSITY

Promoting gender diversity remains a top priority, which is reflected in the representation across our leadership team.

Board of Directors:

50% **Women**

50% **Men**

Employees and workers (permanent):

23% **Women**

77% **Men**

POLICIES THAT ENABLE A SUPPORTIVE WORKPLACE

Maternity and paternity leaves

Childcare facilities

Menstrual leave

OUR COMMUNITIES

EMPOWHER

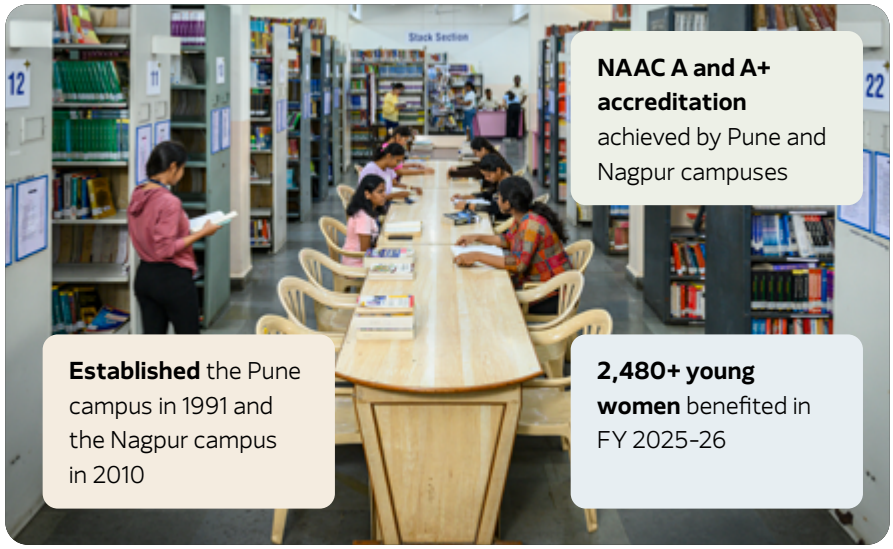
The program promotes financial inclusion and entrepreneurship among rural women, along with menstrual hygiene awareness through eco-friendly sanitary napkin production units replicated across our plant locations. The program also enables livelihoods in tailoring, food processing, poultry farming, chick incubation and kitchen gardening.

70 women-led SHGs
formed and trained in entrepreneurship

700+ women
impacted across rural communities, including Nandurbar

CUMMINS COLLEGE OF ENGINEERING FOR WOMEN (CCEW)

CCEW empowers women in engineering through quality education, leadership, infrastructure, student advancement and faculty development. Our senior leaders engage through mentoring and knowledge-sharing, strengthening academic excellence and equity.



NAAC A and A+ accreditation achieved by Pune and Nagpur campuses

Established the Pune campus in 1991 and the Nagpur campus in 2010

2,480+ young women benefited in FY 2025-26

CUMMINS POWERS WOMEN (CPW)

Cummins India Limited focuses on gender equity through initiatives across education, economic opportunity, legal rights, safety and leadership for women and girls.

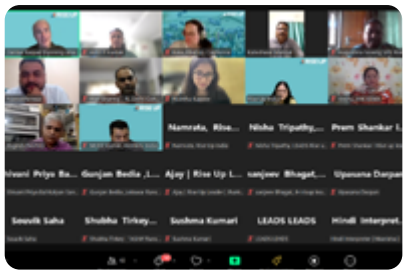
L.E.A.P builds leadership, career readiness, financial literacy and 21st-century skills among underserved students

5,200+ students

9 schools



The Gender Equity Initiative equips grassroots leaders with training, funding and resources to address gender inequality



5,700+

individuals impacted

Project Sakhi helps vulnerable families, especially women, access government benefits and overcome process barriers



4,000+

people reached

INR 5+ crore

benefits unlocked

The Girls Voices Initiative strengthens girls' clubs and builds adolescent girls' leadership to address community issues



6,600+

girl leaders trained

Cybershiksha for Cybersuraksha promotes cybersecurity awareness, preventive healthcare and life skill education among underserved children



17,000+

children

75+

schools

Leadership Accelerator trains local civil society leaders to strengthen education, health and economic opportunity



25

civil society leaders trained



Guided by caring, committed to safety

At Cummins India Limited, care for our people is central to our workplace culture. We are committed to an interdependent safety culture focused on reducing risk and helping every employee return home safely each day. Guided by our value of Caring, our health and safety systems go beyond physical protection to include product safety and psychological safety. Our employees play an active role in this culture through consultation, participation and feedback.

Across operations, our dedicated Health, Safety and Environment (HSE) team benchmarks global best practices to help maintain high standards. Many manufacturing locations in India hold ISO 45001 and ISO 14001 certifications, reflecting internationally recognized systems for managing health, safety and environmental risks. Through continuous improvement, employee engagement and proactive risk management, we remain focused on creating safer workplaces and supporting responsible operations across our facilities.



PROMOTING HEALTH, SAFETY AND ENVIRONMENTAL EXCELLENCE

We have has implemented a standardized, tool-based Hazard Elimination Aspect Risk Transformation (H.E.A.R.T) process across all facilities to evaluate work-related hazards and risks for both routine and non-routine activities, in line with ISO 45001:2018. This is complemented by initiatives including Job Safety Assessments, HSE internal audits, “Find it, Fix it,” and “Active Caring and Visual Literacy.” These processes enable facilities to identify and manage critical risks proactively, improving health and safety outcomes for employees and visitors.

Our leadership supports Health and Safety committees across all plant locations, driving key risk reduction projects. We actively involve employees and trade unions in site-level initiatives that focus on:



Preventing Serious Injuries and Fatalities (SIF)



Implementing HSE Risk Assessment Tools

OUR EMPLOYEE ENGAGEMENT INITIATIVES INCLUDE:



Lead It. Live It.



Find It. Fix It.

Governance

Integrity at the center of responsible growth

Governance at Cummins India Limited is grounded in ethical conduct, accountability and responsible decision-making. We believe that strong governance is fundamental to long-term value creation, stakeholder trust and business resilience.

We conduct business with honesty, compete fairly and comply with applicable laws and standards because ethical conduct is essential to sustainable growth. Our governance framework supports transparency, responsible leadership and accountability across the organization, ensuring that our decisions create value while upholding the highest standards of integrity.

For us, ethics is reflected in responsible action and sound decision-making. Doing business the right way reinforces our reputation as a dependable brand and affirms our responsibility to every stakeholder. With 50% women representation on the Board of Directors, our leadership reflects the values of DEIC that we continue to uphold.

Our governance approach is guided by Cummins India Limited's 10 Ethical Principles, beginning with a clear pledge: "We will follow the law everywhere." These principles shape how we embrace different viewpoints, safeguard technology and information, protect the environment and encourage responsible conduct across the organization.

CUMMINS INDIA LIMITED'S 10 ETHICAL PRINCIPLES

Our Code of Business Conduct sets out 10 Ethical Principles that guide our approach to ethics and governance.

1. We will follow the law everywhere.
2. We will embrace diverse perspectives and backgrounds and treat all people with dignity and respect.
3. We will compete fairly and honestly.
4. We will avoid conflicts of interest.
5. We will demand that everything we do leads to a cleaner, healthier and safer environment.
6. We will protect our technology, our information and our intellectual property.
7. We will demand that our financial records are accurate and that our reporting processes are clear and understandable.
8. We will strive to improve our communities.
9. We will communicate honestly and with integrity.
10. We will create a culture where employees take responsibility for ethical behavior.



GUIDED BY ESG PRIORITIES

Power to lead with purpose

Throughout our journey, Cummins India Limited has demonstrated that purposeful leadership is built through responsible action and measured by the impact it creates. From delivering dependable solutions and advancing our Destination Zero™ Strategy to empowering communities and creating equitable opportunities, our ESG priorities continue to define the way we operate and grow.

For us, Power to Lead with Purpose is the philosophy that guides our actions, decisions and aspirations. This philosophy also reflects our commitment to creating long-term value through innovation, environmental stewardship, strong governance and meaningful social impact.

Our path ahead is clear. We will continue to lead with responsibility, innovate with intent and remain guided by our values as we build a future where people, communities, businesses and the planet can move forward with purpose.

CUMMINS INDIA LIMITED

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