

# DAILY ANALYSIS REPORT

# DAILY UPDATE

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## **Cummins India Ltd.**

**BSE: 500480 | NSE: Cummins India Ltd | ISIN: INE298A01020**

**Sector: Diesel Engines**

Cummins Inc. is an American multinational corporation that designs, manufactures, and distributes engines, electric vehicle components, and power generation products. Cummins also services engines and related equipment, including fuel systems, air handling systems controls, filtration, emission control, electrical power generation systems, and engine control units.

Headquartered in Columbus, Indiana, Cummins sells in approximately 190 countries and territories through a network of more than 600 company-owned and independent distributors and approximately 7,200 dealers.



Cummins Component Business Unit consists of emission solutions, filtration (Fleetguard), fuel systems, turbo technologies (Holset), and electronics. The Cummins Turbo Technologies unit designs and manufactures turbochargers and related products on a global scale, for diesel engines above 3 liters. Its Emission Solutions unit develops and supplies catalytic exhaust systems and associated products to the medium and heavy-duty commercial diesel engine markets. Cummins Filtration designs, manufactures and distributes heavy-duty and light-duty air, fuel, hydraulic and lube filtration, chemicals and exhaust system technology products for diesel and gas-powered equipment. In contrast Cummins Electronics designs engine control units and sensors for Cummins diesel engines.

## Financial Information

INR Crores	FY 2023	FY 2024
Total Assets	7918	8970
EBIT	1106	1610
Profit After Tax	1228	1721
Total Revenue	7772	9000

*Source- Company Annual Report*

- ◆ The company reported total sales of ₹2,508.6 crore, reflecting strong growth of 30.55% year-over-year
- ◆ Net profit surged 36.55% to ₹449.37 crore, driven by robust demand and improved margins.
- ◆ Both domestic and export markets contributed significantly to this performance.
- ◆ Power generation and industrial engine segments were the primary growth drivers.
- ◆ Operational efficiency and cost optimization further supported profitability.
- ◆ This marks a continued upward trend in the company's financial performance.
- ◆ Cummins Inc. (NYSE: CMI) stock is trading at \$293.26, with a minor dip of 0.28%.
- ◆ The stock showed stable movement, trading between \$291.15 and \$296.46 during the day.

## Cummins Power Systems Business

Cummins Power Systems Business Unit consists of alternators, automatic transfer switches, commercial power systems, consumer systems, engines, and paralleling systems.

All of the above stem from the Cummins Onan Corporation, whose products remain in service today.

This Business Unit was formed recently, following a merge of the Power Generation Unit and High Horsepower Sub-Division.

A Cummins generator at the base of a On August 22, 2017, United Rentals announced it had acquired all mobile power generation assets from Cummins. To maintain fleet and customer service continuity, some Cummins employees joined United Rentals.

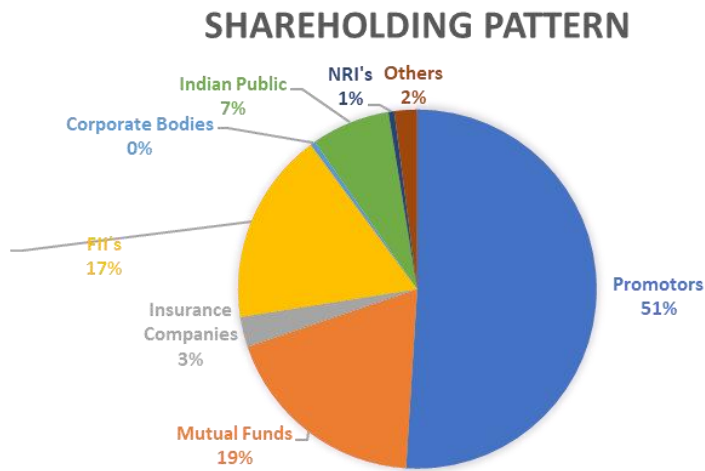
On March 8, 2023, Cummins rebranded its New Power business unit as accelera by cummins. Accelera provides zero-emissions solutions including hydrogen fuel cells, batteries, e-axles, traction systems and electrolyzers.

## Financial Metrics

<b>Price Earning</b>	<b>40.8</b>
<b>Dividend Yield</b>	<b>1.33</b>
<b>Return on Equity</b>	<b>28.1</b>
<b>Debt to Equity Ratio</b>	<b>0.00</b>
<b>Price to Book Value</b>	<b>234</b>

*Source- Company Annual Report*

## Shareholding Pattern



*Source- Company Annual Report*

<b>Promoters</b>	<b>51.00%</b>
Mutual Funds	18.78%
Banks/Insurance Companies	2.72%
FII's	17.36%
Corporate Bodies	0.47%
Indian Public	7.09%
NRI's	0.52%
Others	2.06%

### Shareholding Compare (%)

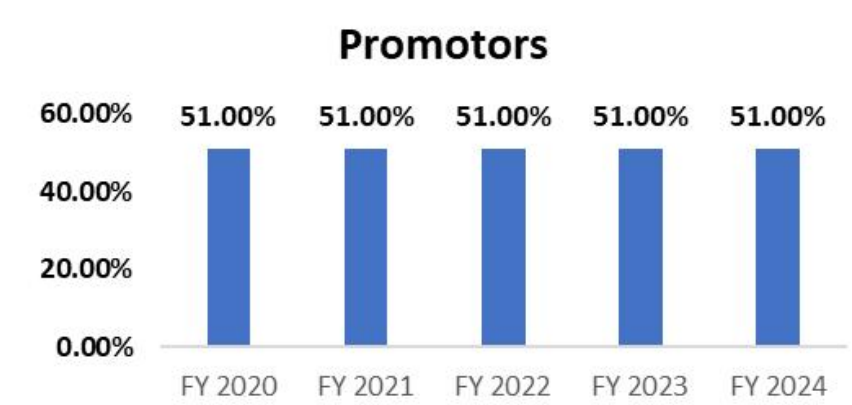
	FY 2023	FY 2024	Changes %
Promoters	51.00%	51.00%	0.00%
Mutual Funds	19.67%	18.78%	-0.89%
Insurance Companies	2.66%	2.72%	0.06%
FII's	14.00%	17.36%	3.36%
Corporate Bodies	3.07%	0.47%	-2.60%
Indian Public	7.82%	7.09%	-0.73%
NRI's	0.52%	0.52%	0.00%
Others	1.26%	2.06%	0.80%

*Source- Company Annual Report*

### Compare Valuation With Peers

Company	P/E	EV/EBITDA	Peg Ratio
Cummins India	42.77	28.47x	2.25
Kirloskar Engines	22.50	12.58x	1.22
Swaraj Engines	30.67	20.06x	1.61
Greaves Cotton	--	26.23x	--

Shareholding Compare - Promoters Holding

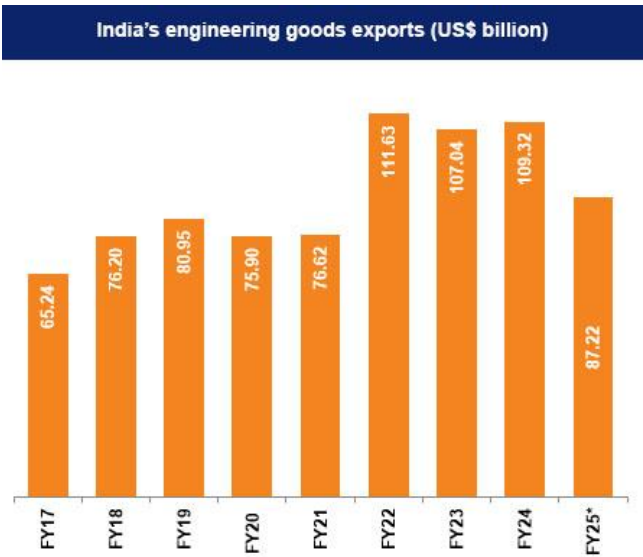


*Source- Company Annual Report*

**Demand-** The electrical equipment market share in India is expected to increase from US\$ 52.98 billion in 2022 to US\$ 125 billion by 2027, implying a robust CAGR of 11.68%.

Market size for the Indian Construction Equipment Market stood at US\$ 7.2 billion in FY23 and is forecasted to grow at a CAGR of 15% for next 5 years, as per the estimates of CII.

The engineering sector is the largest of the industrial sectors in India. It accounts for 27% of the total factories in the industrial sector and represents 63% of the overall foreign collaborations. Demand for engineering sector services is being driven by capacity expansion in industries like infrastructure, electricity, mining, oil and gas, refinery, steel, automobiles, and consumer durables.



Source: NIRYAT Portal, (\*Until December 2024)

## Price Action

Paramaters	Range
Volme Traded	5.25 Lacks
Current Price	2851.20
Face Value	2.00
Previous Value	2935.90
Open Price	2938.00
Today High/Low	2955/2798.10
52 Week H/L	2580/4171.90



- ◆ Cummins India, after a strong multi-year uptrend, is witnessing a corrective phase, currently trading below its 20-week EMA (2990) and 50-week EMA (3072), indicating sustained bearish pressure; the stock is attempting to base around the crucial support zone of 2550–2600, and a decisive move above 3000 would be essential to negate the ongoing weakness and revive bullish momentum.

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