SUMMARY OF THE TERMS OF THE OFFERING

The following is a general summary and should not be relied on as a complete description of the terms and conditions of the Bonds. This summary is derived from, and should be read in conjunction with, the full text of the Terms and Conditions of the Bonds and the Trust Deed constituting the Bonds, which prevail to the extent of any inconsistency with the terms set out in this section. Capitalised terms used herein and not otherwise defined have the respective meanings given to such terms in the detailed Terms and Conditions of the Bonds.

Issuer	S. Kumars Nationwide Limited, a public company incorporated in the Republic of India with limited liability.
Issue	US$45,000,000 unsecured Convertible Bonds due 2011 (the "Bonds").
Issue Price	The Bonds will be issued at 100% of their principal amount.
Issue Date	7 April 2006.
Maturity Date	8 April 2011.
Option for Additional Bonds	The Issuer has granted to the Manager an option exercisable in whole or in part and on one or more occasions at any time prior to the date which is 30 days from the Closing Date, to purchase or procure purchases for up to an additional US$5,000,000 principal amount of the Bonds.
Interest Rate	The Bonds will bear interest at a rate of 2% per annum payable semi-annually in arrears on 7 October and 7 April of each year.
Status of the Bonds	The Bonds will constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and will at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.
Rating of the Bonds	The Bonds are not, and are not expected to be, rated by any rating agency.
Conversion Right	Except during certain Closed Periods, the Bonds are convertible by Holders of the Bonds ("Bondholders") into fully paid equity shares of the Issuer with full voting rights with par value Rs.10 per share of the Issuer ("Shares") at any time on or after 7 May 2006 (or such earlier date as is notified to the Bondholders by the Issuer) and prior to the close of business on 8 March 2011, unless previously redeemed, converted or cancelled.
Conversion Price	The conversion price at which the Bonds may be converted into Shares (subject to adjustment in the manner provided in the "Terms and Conditions of the Bonds") (the "Conversion Price") will initially be Rs.57.00 per Share, with a fixed rate of exchange on conversion of Rs.44.617 = US$1.00. The Conversion Price shall be reduced by 5% per annum during each one year period after the Issue Date. The Conversion Price will also be subject to being reset downwards on 7 April 2007, 7 January 2008 and 7 October 2008 if the average Closing Prices of the Shares in the five Trading Days

before the reset date expressed in US dollars using a fixed exchange rate of Rs.44.617 = $1.00 is less than the Conversion Price converted into US dollars at the fixed exchange rate. The Conversion Price may not be reset below 80% of the Conversion Price on the 7 April 2007 reset date, 65%% of the Conversion Price on the 7 January 2008 reset date or 65% of the Conversion Price on the 7 October 2008 reset date.

Adjustment to Conversion Price	The Conversion Price of the Bonds will be adjusted in certain circumstances after the Issue Date, including upon (i) bonus issues of shares, (ii) free distribution of shares, (iii) sub-division, consolidations and reclassification of shares, (iv) issuance of rights to acquire shares, (v) issuance of warrants at a discount to the prevailing market price (vi) issuance of convertible bonds and exchangeable bonds at below market price and (vii) issuance of shares at below market price.
Trust Deed	The Bonds will be issued under the Trust Deed, to be dated as of 7 April 2006 between the Issuer and The Bank of New York, London branch.
Negative Pledge	For so long as any Bond remains outstanding, the Issuer will not create or permit to subsist any mortgage, lien or other form of encumbrance or security interest on its undertaking, assets or revenues to secure certain types of indebtedness, as described in the "Terms and Conditions of the Bonds — Mergers, Undertakings and Negative Pledge — Negative Pledge".
Redemption at the Option of the Issuer	The Bonds may be redeemed, in whole but not in part, at the option of the Issuer, at any time on or after 7 April 2009 and prior to 7 April 2011, subject to satisfaction of certain conditions, at the Early Redemption Amount if the Aggregate Value for each of the 25 consecutive Trading Days immediately prior to the date on which notice of such redemption is published is greater than 130% of the Early Redemption Amount in respect of $1,000 principal amount of the Bonds on such Trading Day. The Bonds may be redeemed in whole, but not in part, at any time during such period at the option of the Issuer, subject to satisfaction of certain conditions, at the Early Redemption Amount if less than 10% in aggregate principal amount of the Bonds originally issued remains outstanding.
Redemption at Maturity	Unless previously converted, redeemed or cancelled, the Issuer will redeem each Bond at 129.353% of its principal amount on the Maturity Date.
Redemption for Taxation	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, subject to satisfaction of certain conditions including obtaining Reserve Bank of India ("RBI") approval, at the Early Redemption Amount on the date fixed for redemption in the event of certain changes affecting taxes as specified in "Terms and Conditions of the Bonds — Redemption for Taxation Reasons".

Redemption of Bonds in Event of Delisting	To the extent permitted by applicable law, unless the Bonds have been previously redeemed, cancelled or converted, in the event that the Shares cease to be listed or admitted to trading on any of the Indian Exchanges, each Bondholder shall have the right, at such Bondholder's option, to require the Issuer to redeem all of such Bondholder's Bonds at the Early Redemption Amount. See "Terms and Conditions of the Bonds — Redemption, Purchase and Cancellation — Redemption of Bonds in the Event of Delisting".
Redemption in Event of Change of Control	To the extent permitted by applicable law, unless the Bonds have been previously redeemed, cancelled or converted, each Bondholder shall have the right, at such Bondholder's option, upon the occurrence of certain Change of Control events to require the Issuer to redeem all of such Bondholder's Bonds at the Early Redemption Amount. See "Terms and Conditions of the Bonds — Redemption, Purchase and Cancellation — Redemption of Bonds in the Event of a Change of Control".
RBI Approval Required for Redemption	Under current regulations of the RBI applicable to convertible bonds, the Issuer will require the prior approval of the RBI before providing notice for or effecting any redemption or repurchase of the Bonds prior to the Maturity Date.
Form and Denomination of Bonds	The Bonds will be issued in registered form in denominations of US$10,000 each or integral multiples thereof. The Bonds will be represented by the Global Certificate which on the Issue Date will be deposited with, and registered in the name of a nominee of a common depositary for Euroclear and Clearstream, Luxembourg (collectively, the "Clearing Systems").
Events of Default	Certain events will permit acceleration of repayment of principal, interest and any premium of the Bonds. For a description, see "Terms and Conditions of the Bonds — Events of Default".
Share Ranking	Shares issued upon conversion of the Bonds will be fully paid with full voting rights and will rank *pari passu* with the Shares in issue on the relevant Conversion Date. Shares shall not be entitled to any rights the record date for which preceded the relevant Conversion Date. See "Description of the Shares — Dividends" and "Terms and Conditions of the Bonds — Conversion".
Market for Shares, Listing and Share Ownership Restrictions	The outstanding Shares of the Issuer are listed on the Indian Exchanges and in-principle approval has been received to list the Shares issuable on conversion of the Bonds on the Indian Exchanges. There are certain restrictions applicable to investments in shares and other securities of Indian companies, including the Shares, by persons who are not residents of India. See "Appendix B — Foreign Investment and Exchange Controls".
Clearance	The Bonds will be cleared through the Clearing Systems. The Clearing Systems each hold securities for their customers and

facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders.

Global Certificate	For as long as the Bonds are represented by the Global Certificate, the Global Certificate is held by a common depositary for the Clearing Systems, payments of principal and premium in respect of the Bonds represented by the Global Certificate will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Bonds, surrender of the Global Certificate to or to the order of the Paying Agent for such purpose. The Bonds which are represented by the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of the relevant Clearing System.
Indian Taxation	Payment of premium and interest on the Bonds made by the Issuer will be made after deduction or withholding in respect of Indian taxation to the extent required by law. The Issuer will gross up the net taxable amount and will be required to account separately to the Indian tax authorities for any withholding taxes applicable to payments attributable to such tax. The Bonds will have the benefit of the tax concessions available under the provisions of Section 115AC of the Income Tax Act, as amended, of India. Under current Indian laws, tax is not payable by the recipients of dividends on Shares. See "Taxation".
Selling Restrictions	There are restrictions on the offer, sale and/or transfer of the Bonds in, among others, the United Kingdom, the United States, India and other jurisdictions. For a description of the selling restrictions on offers, sales and deliveries of the Bonds, see "Subscription and Sale".
Listing	Application has been made for the listing of the Bonds on the Singapore Stock Exchange. The Bonds will trade on the Singapore Stock Exchange in a minimum lot size of US$200,000 so long as any of the Bonds remain listed on the Singapore Stock Exchange.
Trustee	The Bank of New York, London branch.
Principal Agent, Paying Agent, Conversion Agent and Transfer Agent	The Bank of New York, London branch.
Governing Law	The Bonds will be governed by, and construed in accordance with, English law.
Use of Proceeds	The net proceeds of the issue of the Bonds (after the deduction of fees, commissions and expenses) are expected to be approximately US$43.2 million (or US$48.0 million if the option to acquire additional Bonds is exercised in full) and will be used by the Issuer to expand production capacity and for other purposes in accordance with the end-use restrictions specified by the RBI and the Indian Government.
Government of India Approvals	The Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended, the Foreign Exchange Management (Transfer or

Issue of any Foreign Security) Regulations, 2000, as amended, and the RBI circular dated 1 July 2005 permit Indian companies to issue foreign currency convertible bonds up to US$500 million under the "automatic route" (i.e., without the prior approval of the RBI), subject to compliance with certain conditions specified therein. The Issuer is undertaking the present issue of the Bonds in accordance with the guidelines and regulations described above.

Lock-up Agreements .... Under the Subscription Agreement between the Manager and the Issuer in connection with the offering of the Bonds, neither the issuer, nor any person acting on its behalf (including promoters and directors and executive officers), will issue, offer, sell, contract to sell, pledge or otherwise dispose of (or publicly announce any such issuance, offer, sale or disposal) for a period of 180 days after the Issue Date or 180 days from the closing of any later option to acquire additional bonds as described herein: (i) securities issued by the Issuer, which are listed or quoted on any stock exchange or over-the-counter market outside India and having a maturity of more than one year from the date of issue, (ii) any Shares of the Issuer or securities convertible or exchangeable into or exercisable for Shares of the Issuer or (iii) warrants or other rights to purchase Shares of the Issuer or any security or financial product whose value is determined directly or indirectly by reference to the price of the Shares, including equity swaps, forward sales and options representing the right to receive any Shares, except Shares or securities issued pursuant to the conversion provisions of the Bonds.