CORRIGENDUM TO THE PUBLIC ANNOUNCEMENT AND TO THE LETTER OF OFFER DATED JUNE 27, 2008
FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

IL&FS INVESTSMART LIMITED

Regd. Off.: The IL&FS Financial Centre, Plot No. C -22, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051, India

This corrigendum to the Public Announcement ("Fourth Corrigendum") is in continuation of and shall be read in conjunction with the Public Announcement published on May 20, 2008 ("PA"), the Corrigendum to PA published on June 3, 2008 ("First Corrigendum"), the Corrigendum to PA published on June 10, 2008 ("Second Corrigendum") and the Corrigendum to PA and the Letter of Offer published on July 03, 2008 ("Third Corrigendum") to the shareholders of IL&FS Investsmart Limited ("IIL"/ "Target Company") by SBI Capital Markets Limited ("Manager to the Offer") on behalf of HSBC Securities and Capital Markets (India) Private Limited ("HSCI"), HSBC Violet Investments (Mauritius) Limited ("Violet"), together referred to as "the Acquirers" alongwith HSBC Investment Bank Holdings BV ("HIBH") (person acting in concert with HSCI) and The Hongkong and Shanghai Banking Corporation Limited, Hong Kong ("HBAP") (person acting in concert with Violet) (collectively being the Persons Acting in Concert ("PACs") with the Acquirers), in compliance with Regulations 10 and 12 and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "SEBI (SAST) Regulations").

The shareholders of IIL are requested to kindly note the following amendments with respect to the PA and the Letter of Offer dated June 27, 2008.

As per the activity schedule, the last date for making payment to all the valid shareholders and return of unaccepted shares is August 13, 2008. It has been stated in the PA and Letter of Offer dated June 27, 2008 that the acquisition of shares by the Acquirers under the Share Purchase Agreements and under the open offer is subject to the receipt of necessary regulatory and governmental approvals. The Acquirers or the Target Company and/or its subsidiaries have not yet received all the statutory approvals required for acquisition of shares. Hence there will be a delay in making payment of consideration to the shareholders who have validly tendered their shares under the open offer and whose shares have been accepted. The credit of unaccepted shares and the dispatch of the share certificates to all the shareholders whose shares have not been accepted under the open offer will be as per the schedule i.e. by August 13, 2008.

As required under regulation 22(12) of SEBI (SAST) Regulations, HSBC Securities and Capital Markets (India) Private Limited, an acquirer has agreed to pay an interest to the shareholders of IL&FS Investsmart Limited for delay in payment of consideration beyond fifteen days from the closure of the offer, as the Securities and Exchange Board of India (SEBI) may specify.

This announcement should be read in conjunction with the PA. The terms not defined herein will have the same meaning as defined in the PA. All other terms and conditions of the Open Offer remain unchanged.

The Acquirers and PACs accept responsibility for the information contained in this announcement and also for the obligations of the Acquirers and PACs as laid down in the SEBI (SAST) Regulations.

This Corrigendum will also be available on the SEBI's website (www.sebi.gov.in).

Issued for and on behalf of the Acquirers by:

Manager to the Offer

SBI Capital Markets Limited

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Mumbai
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