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 ("Fifth 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"), the Corrigendum to PA and the Letter of Offer published on July 03, 2008 ("Third Corrigendum") and the Corrigendum to PA and the Letter of Offer published on August 13, 2008 ("Fourth Corrigendum") addressed 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:

The Acquirers/ the Target Company and its subsidiaries have received the statutory approvals for acquisition of shares. The Securities and Exchange Board of India (SEBI) vide its letter no. CFD/DCR/TO/AK/136330/2008 dated August 28, 2008 has advised the Acquirer to pay an interest at the rate of 10% p.a. for delay in payment of consideration beyond fifteen days from the closure of the Offer. Accordingly, the consideration alongwith the interest for the period August 14, 2008 to September 24, 2008 (both days inclusive) will be despatched on Wednesday, September 24, 2008 to the shareholders who have validly tendered their shares under the Open Offer and whose shares have been accepted.

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:

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SBI Capital Markets Limited

Mumbai
September 20, 2008