

Date: 30th August, 2012

Department of Corporate Services
Bombay Stock Exchange Limited
P.J Towers, Fort Dalal Street
Mumbai - 400001.

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G - Block
Bandra Kurla Complex
Bandra (E)
Mumbai — 400 051.

Dear Sirs,

Sub: Credit Rating

Please find enclosed the clarification with respect to Recent Credit Rating of the Company.

Thanking you.

Yours faithfully,

For Tulip Telecom Limited



Lt Col H S Bedi
(Chairman & Managing director)



Tulip Telecom

Investor Update

New Delhi, August 30, 2012 – Tulip Telecom Ltd (Tulip), India's leading Enterprise Data Services provider had issued US\$ 150 million zero coupon convertible bonds in June 2007 ("Bonds"), which were due for redemption on 26 August 2012 ("Maturity Date"). The Company had bought back a portion of the Bonds during 2009 and as on 26th August 2012, the aggregate principle amount of Bonds outstanding is US\$ 97 million, which represents a redemption obligation of US\$ 140.1708 million (prior to withholding tax).

Further, the company has sought extension from investors till September 10th, 2012 to honor its commitment towards the same.

Tulip would like to clarify that the recent downgrade to D (IND) by Company's rating agency is "not" on account of any surveillance of operational performance of the Company and is primarily due to extension of timeline beyond its due date to redeem the outstanding FCCB. The core operations of the Company remain robust and profitable, and Tulip continues to provide best-in-class services to its clients.

Tulip has commitments of US\$ 50 million in a fresh FCCB and funds from bank sanctions and internal accruals of US\$ 72 Million, a total of US\$ 122 Million. It plans to raise the balance US\$ 18 million in a timely manner to pay the FCCB within the time extension sought from investors.

As per the recent rating release, the repayment will trigger a positive response on the rating.

The Company endeavors to complete this process at the earliest and has a firm intent to honor its obligations to the bondholders at the earliest.

- ENDS -

About Tulip Telecom

Tulip Telecom Ltd. (BSE: 532691/NSE: TULIP) is India's leading Enterprise Communications Service provider. The Company's data network has the largest reach of over 2,000 locations globally. The Company has a global presence with over 5,000 employees and more than 2,500 customers. Tulip designs, implements and manages communication networks of large enterprises on long term contracts to include enterprise communications connectivity, network integration, managed services and Data Centres.

For more information on the Company, please log on to www.tulip.net or contact:

Dinesh Kaushal / Richa Satija

Tulip Telecom Ltd

Tel: +91 11 4057 8000

Fax: +91 11 4167 8002

E-mail: dineshk@tulip.net

richa.s@tulip.net

Anoop Poojari / Ishan Selarka

Citigate Dewe Rogerson

Tel.: +91 22 6645 1211 / 1232

Fax: +91 22 6645 1213

E-mail: anoop@cdr-india.com

ishan@cdr-india.com

Note: Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Tulip Telecom Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.