

Tulip Telecom FCCBs- Updates

New Delhi, August 17, 2012 - Tulip Telecom Ltd (Tulip), India's leading Enterprise Data Services provider today announced that the Company has received firm commitments of USD 50 million towards the subscription of Foreign Currency Convertible Bonds (FCCB) issue.

The new FCCBs are proposed to be listed on the Singapore Stock Exchange and the proceeds from this Issue will be utilized towards redemption of the outstanding amount of the USD144.69 million (including premium and applicable taxes) foreign currency convertible bonds raised in 2007 due for redemption on August 26, 2012. The issuance of bonds would be conditional upon company depositing balance amount through bank debt into an escrow account initiated specifically for the purpose of redemption of the FCCB due.

Elara Capital Plc acted as the Sole Book Runner and Lead Manager to the offering.

Lt. Col. HS Bedi, Chairman & Managing Director, Tulip Telecom Ltd said, *"The funds raised from the new FCCBs will be utilized to refinance the existing FCCBs and enable Tulip to meet its obligation well in time. Our endeavor going forward is to strengthen our balance sheet by limiting capital expenditure and sweating existing assets to generate cash flows which will provide new thrust to business."*

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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. It also owns and operates the world's third largest data centre in Bengaluru through a wholly owned subsidiary.

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

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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.