

June 08, 2026

## NTT Global Data Centers Del2 Private Limited: Rating reaffirmed

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term loan^	978.00	978.00	[ICRA]A+ (Stable); Reaffirmed
<b>Total</b>	<b>978.00</b>	<b>978.00</b>	

\*Instrument details are provided in Annexure II

^ Including sub limit of bank guarantee of Rs. 30 crore

### Rationale

The rating reaffirmation for NTT Global Data Centers Del2 Private Limited (NTT GDC Del2) factors in the strong parentage, low funding risk of the ongoing data centre (DC) and strong long-term demand prospects for DCs, backed by digital data explosion in India and favourable regulatory support. NTT GDC Del2 is a wholly-owned subsidiary of NTT Global Data Centers Holding Asia Pte limited, which is a step-down subsidiary of Nippon Telegraph and Telephone Corporation (NTT), rated by Moody's at A3 (Stable). NTT is a leading integrated Japanese telecom operator with the Government of Japan holding about 32.5% (as on December 31, 2025) stake in the company. NTT Limited (UK), a wholly-owned step-down subsidiary of NTT, has extended a corporate guarantee for NTT GDC Del2's borrowings. ICRA expects NTT to provide timely funding support to NTT GDC Del2, given the close business linkages and NTT's reputation sensitivity to default. Further, there is an established track record of funding support from NTT to NTT GDC Del2.

NTT GDC Del 2's DC campus in Greater Noida is spread across 6 acres with an expected capacity of 52.8 MW across two phases – DC 1 with a capacity of 22.4 MW and DC 2 with a capacity of 30.4 MW. At present, DC 1 with a capacity of 22.4 MW is being developed. The total project cost of DC 1 for NTT GDC Del2 stands at Rs. 1,470 crore and it is being funded through debt-to-equity ratio of 70:30. As on March 31, 2026, ~57% of the total project cost has been incurred, which was funded by Rs. 549 crore of debt and the remaining by equity. As a part of funding, as on March 31, 2026, 91% of the total planned equity has been infused. The company has undrawn debt of Rs. 429 crore as on March 31, 2026. The same will be required to fund the balance cost of DC 1, which is primarily towards mechanical, engineering and plumbing (MEP) works, will be incurred based on tie-up of incremental leases.

The rating, however, is constrained by significant market risk for DC 1 with slow ramp-up in leasing. At present, only 4 MW of the total 22.4 MW has been leased as of March 2026. Any delay in tying-up of leases at adequate rates would adversely impact the debt protection metrics and would remain a key monitorable. However, comfort can be drawn from the leasing pipeline, the NTT Group's operational track record in India and commitment to infuse additional contribution in a timely manner to support any funding requirements. In FY2026, the company received Rs. 100 crore of fund infusion. Further, Rs. 150 crore is expected to be infused in Q2 FY2027, which will be utilised towards operational requirements, debt servicing and capex requirements. ICRA derives strong comfort from the company's parentage, which provides exceptional financial flexibility and refinancing ability. NTT GDC Del 2 also faces stiff competition from large DC addition from established players. The competition is likely to further intensify with the entry of new players in the segment.

The Stable outlook on the long-term rating reflects ICRA's expectation that the company would be able to ramp-up its occupancy, backed by adequate leasing pipeline and strong demand prospects for the sector. Further, the sponsor is likely to provide timely operational and financial support if needed.

## Key rating drivers and their description

### Credit strengths

**Strong parentage with demonstrated track record of funding support** – NTT GDC Del2 is a wholly-owned subsidiary of NTT Global Data Centers Holding Asia Pte limited, which is a step-down subsidiary of Nippon Telegraph and Telephone Corporation (NTT), rated by Moody's at A3 (Stable). NTT is a leading integrated Japanese telecom operator with the Government of Japan holding about 32.5% (as on December 31, 2025) stake in the company. NTT Limited (UK), a wholly-owned step-down subsidiary of NTT, has extended a corporate guarantee for NTT GDC Del2's borrowings. ICRA expects NTT to provide timely funding support to NTT GDC Del2, given the close business linkages and NTT's reputation sensitivity to default. Further, there is an established track record of funding support from NTT to NTT GDC Del2.

**Low funding risk for first phase of campus** – NTT GDC Del 2's DC campus in Greater Noida is spread across 6 acres with an expected capacity of 52.8 MW across two phases – DC 1 with a capacity of 22.4 MW and DC 2 with a capacity of 30.4 MW. At present, DC 1, with a capacity of 22.4 MW is being developed. The total project cost of DC 1 for NTT GDC Del2 stands at Rs. 1,470 crore, and it is being funded through debt-to-equity ratio of 70:30. As on March 31, 2026, ~57% of the total project cost has been incurred, which was funded by Rs. 549 crore of debt and the remaining by equity. As a part of funding, as on March 31, 2026, 91% of the total planned equity has been infused. The company has undrawn debt of Rs. 429 crore as on March 31, 2026. The same will be required to fund the balance cost of DC 1, which is primarily towards MEP works, will be incurred based on tie-up of incremental leases.

**Digitisation and favourable regulations support long-term prospects of DC** – Data localisation and data explosion are paving the way for DC revolution in India. Digitisation drivers like adoption of new technologies (Cloud, IoT, generative AI, Big Data and 5G rollout), increase in digital penetration (internet usage, mobile penetration), e-commerce, Government focus on digital infrastructure and favourable regulatory policies like Digital Data Protection Bill, infrastructure status to data centres, special incentives from Central and state governments are expected to boost DC investments in the country and demand for the sector.

### Credit challenges

**Exposure to project execution and market risk** – NTT GDC Del2 is exposed to significant market risks for DC 1 with slow ramp-up in leasing. At present, only 4 MW of the total 22.4 MW has been leased as of March 2026. Any delay in tying up of leases at adequate rates would adversely impact the debt protection metrics and would remain a key monitorable. However, comfort can be drawn from the healthy leasing pipeline, the NTT Group's operational track record in India and commitment to infuse additional contribution to support any funding requirements. In FY2026, the company received Rs. 100 crore of fund infusion and further Rs. 150 crore is expected to be infused in Q2 FY2027, which will be utilised towards operational requirements, debt servicing and capex requirements.

**Large medium-term capex plans** – NTT GDC Del2 plans to add a capacity of 30.4 MW (DC 2) post completion of leasing for DC 1. The company's ability to ramp up the leasing of the new data centres remains to be seen.

**Stiff competition from other players** – The rating is constrained by the intense competition from large DC addition with entry of many new players in the segment and expansion plans from the existing players. However, the long-term relationship with reputed clients, competitive pricing and strong technology support from NTT provide NTT GDC Del2 a competitive advantage to some extent.

## Liquidity position: Adequate

The company's liquidity position is adequate with cash and cash equivalent of Rs. 32.8 crore as of March 2026. The project cost of the first phase of the DC 1 is funded by debt-to-equity ratio of 70:30. As on March 31, 2026, NTT GDC Del2 has an undrawn amount of ~Rs. 429 crore of debt and pending equity infusion of ~Rs. 42 crore. While the loan repayment is expected to start from Q4 FY2027, any shortfall in debt repayment obligations is likely to be supported by NTT in a timely manner, if need arises.

## Rating sensitivities

**Positive factors** – ICRA could upgrade the rating if there is a significant ramp up in leasing at adequate rates resulting in healthy debt coverage and leverage metrics on a sustained basis. In addition, leasing occupancy of more than 85% for Phase-1 and visibility on leasing pipeline for Phase-2 will be a credit positive.

**Negative factors** – Negative pressure on the rating could arise if there are considerable delays in leasing leading to subdued revenues resulting in weakening of debt protection metrics, on a sustained basis. Any material cost or time overruns in project completion would be a negative factor. Also, a material deterioration in the credit profile or weakening of linkages with NTT will result in rating downgrade.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Realty - Leasing</a>
Parent/Group support	<b>Parent company:</b> NTT Global Data Centers Holding Asia Del2 Pte. Ltd. <b>Ultimate Parent Company:</b> Nippon Telegraph and Telephone Corporation (NTT). The rating assigned to NTT Global Data Centers Del2 Private Limited (NTT GDC Del2) factors in the likelihood of its ultimate parent, NTT, extending financial support to NTT GDC Del2 through NTT Global Data Centres Holding Asia Pte. Ltd because of close business linkages and its need to protect its reputation from the consequences of a Group entity's distress.
Consolidation/Standalone	Standalone

## About the company

NTT Global Data Center Del2 Private Limited (NTT GDC Del2) is a private limited company incorporated on November 23, 2022. It is a 100% subsidiary of NTT Global Data Centers Holding Asia DEL2 Pte. Ltd., which is ultimately held by Japan's Nippon Telegraph and Telephone Corporation (NTT rated by Moody's at A3 (Stable)). NTT GDC Del2 provides data centre services to domestic and global enterprises across verticals. The DC campus, located at Noida, is spread over six acres and will support 52.8 MW capacity across two phases. DC 1 will support 22.4 MW, while DC 2 will support 30.4 MW. At present, the company is constructing Phase 1 of 22.4 MW, which is partly leased.

**Key financial indicators (audited)**

Standalone	FY2025	FY2026*
Operating income	9.7	30.5
PAT	-93.2	-76.1
OPBDIT/OI	-200.1%	-26.4%
PAT/OI	-956.4%	-249.4%
Total outside liabilities/Tangible net worth (times)	2.3	2.1
Total debt/OPBDIT (times)	-28.0	-68.2
Interest coverage (times)	-0.4	-0.2

Source: Company, ICRA Research; \* Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation. KFI's are not meaningful as the company has started operations in a phased manner.

**Status of non-cooperation with previous CRA: Not applicable**

Any other information: None

**Rating history for past three years**

Instrument	Type	Current (FY2027)			Chronology of rating history for the past 3 years					
		FY2027			FY2026		FY2025		FY2024	
		Amount Rated (Rs. crore)	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Long-term – Term loan – Fund-based	Long Term	978.00	June 08, 2026	[ICRA]A+ (Stable)	Jun 23, 2025	[ICRA]A+ (Stable)	Apr 30, 2024	[ICRA]A+ (Stable)	-	-

**Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026**

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$) )	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(\*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated February 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed

**Disclosure:** SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Term loan	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

### Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Term loan	FY2024	NA	FY2036	978.00	[ICRA]A+ (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

### Annexure III: List of entities considered for consolidated analysis: Not Applicable

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## ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

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