E2E Networks Limited

CIN- L72900DL2009PLC341980

Uppal's Genesis A-32, Block B, Mohan Cooperative Industrial Estate,
Badarpur, New Delhi 110044, Phone No. +91-11-4084-4964

Email: cs@e2enetworks.com, Website https://www.e2enetworks.com/

Date: November 13, 2026

To, National Stock Exchange of India Ltd. ('NSE') Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400 051, Maharashtra, India **(Script Symbol: E2E)**	To, The Manager- Listing BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 Maharashtra, India **(Scrip Code: 544783)**

Sub: Intimation of revision in Credit Rating as per Regulation 30 read with Part A of Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 read with Part A of Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that **ICRA Limited**, a SEBI-registered Credit Rating Agency, has upgraded the credit rating assigned to the bank facilities of the Company to **[ICRA] A (Positive) from [ICRA] A- (Stable)**.

The rating rationale as issued by ICRA is enclosed herewith for your reference.

The aforesaid rating is also accessible on the Company's website at https://www.e2enetworks.com.

This is for your information and records.

Yours faithfully,

For E2E Networks Limited

RONIT Digitally signed by RONIT Date: 2026.11.13 16:52:25 +05'30'

Ronit
Company Secretary & Compliance Officer
Membership No.: A59215

Encl.: As above

November 13, 2026

E2E Networks Limited: Ratings upgraded, outlook revised to Positive from Stable

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial Sector Regulator#
Long term – Fund-based – Term Loans	450.00	915.00	[ICRA] A (Positive); upgraded from [ICRA]A- (Stable) and outlook revised to Positive from Stable	RBI
Long term – Fund-based – Term Loans (Proposed)	550.00	85.00	[ICRA] A (Positive); upgraded from [ICRA]A- (Stable) and outlook revised to Positive from Stable	RBI
Total	**1000.00**	**1000.00**		

**Instrument details are provided in Annexure I*

#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.

Rationale

The rating upgrade along with revision in the outlook of the long-term rating of E2E Networks Limited (E2E) favourably factors in the strong growth in revenues in FY2026 (Rs. 246 crore) and H1 FY2027 (Rs. 380 crore), with H1 FY2027 revenue representing a YoY growth of 375%, and ICRA's expectations of sustenance of the same over the near to medium term. The rating is further supported by healthy utilisation and monetisation of its GPU infrastructure amid increasing demand for AI computing services, hence, aiding capacity expansion, and healthy customer additions. With continued healthy utilisation levels and ongoing deployment of additional GPU capacity, ICRA expects E2E to sustain the strong growth momentum over the near to medium term. E2E's operating margins have expanded steadily to 75% in H1 FY2027 from 51% in FY2026 and 44% in FY2022, supported by higher revenue realisations and improved utilisation levels. The rising scale of operations is expected to continue to support profitability over the medium term.

Building on its industry experience and long-standing relationships with global technology partners, E2E has established a sizeable installed base of approximately 5,100 cloud GPUs as of September 2026 (3,900 in GPUs in FY2026), positioning it among the leading domestic AI infrastructure providers. During H1 FY2027, the company secured a Rs. 1,000-crore contract from a Sovereign AI Company, valid until June 2029, which provides medium-term revenue visibility, and supports capacity utilisation. The revenue growth prospects are further supported by the company's participation in the Ministry of Electronics and Information Technology (MeitY)'s IndiaAI Mission, aimed at expanding the country's AI computing infrastructure. Supported by these order wins, healthy capacity expansion plans and favourable demand prospects arising from the increasing adoption of AI across industries, the company is expected to maintain strong growth momentum over the medium term.

Additionally, the rating continues to factor in the decade-long operational track record and extensive experience of its promoters in the cloud computing industry, specifically in delivering infrastructure-as-a service (IaaS) solutions to customers across diverse end-user industries.

The rating is however limited by the capital-intensive nature of the business, which requires investments in GPU infrastructure to support growth and maintain technological competitiveness. E2E is expected to incur capital expenditure over the medium term towards expansion of its GPU infrastructure (the company has secured an additional 12.8 MW of data centre capacity,

representing an 88% increase over its existing capacity, and taking the total installed capacity to 27.4 MW), to be funded through a mix of debt and internal accruals. Going ahead, while the planned capex is expected to support future growth, the resultant leverage profile will depend on the scale of investments and the proportion of debt utilised for funding the same. That said, the board-approved proposal to raise up to Rs. 1,500 crore through QIP or other permissible routes provides additional financial flexibility to support its capacity expansion. The proposed capital raise offers an alternative source of funding, thereby, providing support to the company's existing financial arrangements and potentially reducing reliance on incremental debt funding. The timely commissioning and ramp-up of the proposed capacities, along with their progressive monetisation, will remain important factors in achieving the anticipated returns on capital employed thus, supporting the company's credit profile.

Key rating drivers and their description

Credit strengths

Established operational track record and extensive experience of promoters in the industry – Incorporated in 2009, E2E is led by its founder, Mr. Tarun Dua, having an experience of over two decades in the cloud computing infrastructure industry, along with an experienced management team. Over the years, the company's established operational track record in setting up adequate GPU capacities across its data centres in Noida, Chennai and Mumbai, along with healthy service capabilities to operate the same has enabled the business to scale up.

Operational synergies from strategic partnership with L&T – In November 2024, L&T entered into a strategic partnership with E2E and has a 16.5% stake as of September 2026 in the company. Both E2E and L&T continue to drive synergies while operating at arms-length basis, and the partnership provides benefits to the company wherein the company may utilise L&T's data centre capacity and offer cloud computing services to customers through the installed GPUs.

Favourable demand prospects and recent order wins to support future growth – Given the increasing demand for high-performance computing software and integration of generative AI in applications across the end-user industries, the demand for computing infrastructure is likely to increase multi-fold in future. The company's investments in expanding GPU capacity, coupled with strategic collaborations and the rollout of AI-focused offerings, positions it to benefit from the growing demand environment, supporting its revenue growth and market presence over the medium term

Credit challenges

Capital-intensive business model requiring continuous investments and resulting in elevated leverage- E2E operates in a highly capital-intensive business, which requires investments in next-generation GPU infrastructure to support growth and maintain technological competitiveness. The company is expected to incur capital expenditure towards expansion of its GPU infrastructure, to be funded through a mix of debt and internal accruals. However, the board approval received for a fund raise of up to Rs. 1,500 crore, provides additional financial flexibility to support its capacity expansion plans while maintaining the credit metrics.

Ability to maintain optimum utilization of incremental GPU cluster capacity will be key for sustaining credit metrics- E2E's ability to achieve and sustain healthy utilisation levels across its incremental GPU capacity remains a key monitorable. The company has allocated a part of its GPU capacity towards the recently secured contract with Sovereign AI company and is planning to add additional GPU clusters, including next-generation Blackwell series. Given the additional capacity expansion, timely ramp up and optimal utilisation of the incremental capacity remains a key monitorable to sustain earnings profile.

Exposure to intense competition from domestic and global cloud infrastructure providers- Although, the AI cloud and GPU computing industry is witnessing robust growth, competitive intensity is also increasing. Further, the rapid pace of technological advancements in the GPU ecosystem necessitates periodic investments in newer generation infrastructure. Though, the demand for older generations of GPU is strong driven by supply demand dynamics, it may come under pressure with introduction of more advanced and efficient alternatives. These risks are partially mitigated by the company's focus on

AI-centric cloud offerings, strategic partnerships and its ability to augment its infrastructure with newer-generation GPUs while continuing to utilise older GPU clusters across diverse AI workloads supporting the utilisation and monetisation of its existing infrastructure over its economic life.

Environmental and social risks

Environmental considerations: Given the service-oriented nature of its business, E2E's direct exposure to environmental risks, as well as those emanating from regulations or policy changes, is not material.

Social considerations: E2E's social risks, as a cloud computing service provider stem from issues related to data security, privacy, and responsible use of its platform, which can impact its reputation and customer trust.

Liquidity position: Adequate

E2E's liquidity position is Adequate supported by strong cashflow generation and cash/bank balance and liquid investments of around Rs. 735 crore as on September 30, 2026. E2E has sizeable capex plans over the near term, which will be funded through a mix of debt and surplus funds. Further, the company has scheduled debt repayment obligations over the medium term, which are expected to be adequately met through its available liquidity and cash flow from operations.

Rating sensitivities

Positive factors – The rating could be upgraded if the company demonstrates a healthy improvement in revenue and earnings, aided by high utilisation of the newly added GPU capacities, while maintaining healthy debt protection metrics and an adequate liquidity position.

Negative factors – The rating could be downgraded in case of lower capacity utilization of existing/new GPUs, or higher-than expected debt-funded capex, or high working capital intensity exert pressure on the company's debt protection metrics and liquidity position.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	The rating is based on the consolidated financial profile of the company.

About the company

Founded in 2009, E2E provides accelerated cloud infrastructure/ IaaS solutions including cloud GPUs such as NVIDIA B200, H200, H100, A100 GPUs, among others on the cloud. Its facilities are located in Noida, Chennai. As of September 2026, the company has a capacity of 5,100 GPUs across its units. Promoted by Mr. Tarun Dua and family, the company was listed on the National Stock Exchange of India in May 2018 and Bombay Stock Exchange in June 2026. The company also entered into a strategic partnership with L&T, wherein L&T holds a 16.5% stake in the company as on September 30, 2026.

Key financial indicators (audited)

E2E – Consolidated	FY2025	FY2026

Operating income	164.0	245.6
PAT	47.5	-15.6
OPBDIT/OI	59.1%	51.4%
PAT/OI	29.0%	-6.3%
Total outside liabilities/Tangible net worth (times)	0.6	0.4
Total debt/OPBDIT (times)	0.8	1.3
Interest coverage (times)	7.3	10.3

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

			Current (FY2027)	Chronology of rating history for the past 3 years					
			FY2027	FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	Nov 13, 2026	Date	Rating	Date	Rating	Date	Rating
Term loan	Long-term	915.00	[ICRA] A (Positive)	Nov 27, 2025	[ICRA]A- (Stable)	-	-	-	-
Proposed Limits	Long-term	85.00	[ICRA] A (Positive)	Nov 27, 2025	[ICRA]A- (Stable)	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Term Loans	Simple
Long-term – Fund-based – Proposed Limits	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 I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial Sector Regulator#
NA	Term loans	FY2025	7.75%-9.00%	FY2029	915.00	[ICRA] A (Positive)	RBI
NA	Proposed Limits	NA	NA	NA	85.00	[ICRA] A (Positive)	RBI

Source: Company

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Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis –

Company name	E2E's Ownership	Consolidation approach
E2E Networks Limited	Parent entity	Full consolidation
SovCloud Technologies Limited	100.00%	Full consolidation

Source:H1FY2027 results

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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.

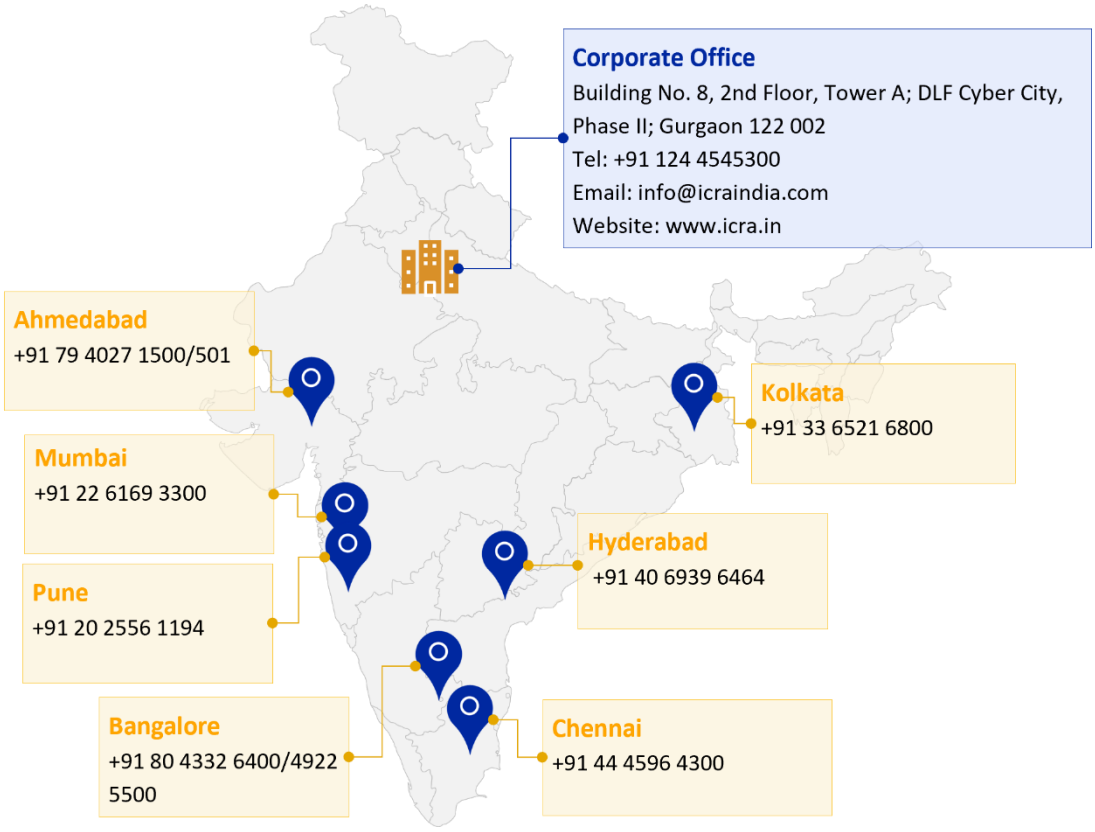
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