

**BEFORE
THE COMPETITION COMMISSION OF INDIA**

Notice under Section 6(2) of the Competition Act, 2002 read with Regulation 5 of the Competition Commission of India (Procedure in regard to the transaction of business relating to Combinations) Regulations, 2011 in respect of the Proposed Transaction by:

Comfort Investments II

SUMMARY OF THE PROPOSED TRANSACTION

FILED THROUGH:

L&L PARTNERS LAW OFFICES



Summary of the Proposed Transaction

(under regulation 13(1A) of the Combination Regulations)

This Form I is being filed to notify this Hon'ble Commission of the intended acquisition of stake in Nxtra Data Limited (**Nxtra Data**) by Comfort Investments II (**CI-II**), a special purpose acquisition vehicle, owned and controlled by investment funds advised by the affiliates of The Carlyle Group Inc. (**Carlyle Group**).

Nxtra Data is a fully owned subsidiary of Bharti Airtel Limited and provides data center colocation services through its 10 data centers located in India (including 2 partner datacentres in Mumbai) across 7 locations.

I. NAME OF THE PARTIES TO THE PROPOSED TRANSACTION

1. The Parties to the Proposed Transaction are:
 - a. Comfort Investments II;
 - b. Bharti Airtel Limited; and
 - c. Nxtra Data Limited;

II. NATURE OF THE PROPOSED TRANSACTION

2. The Proposed Transaction is being effected pursuant to an Investment Agreement entered into by and between the Parties on July 1, 2020. Through the Proposed Transaction, CI-II will acquire Compulsorily Convertible Preference Shares (**CCPS**) and a few equity shares of Nxtra Data. The CCPS shall be converted to equity shares upon completion of the valuation.

III. PURPOSE OF THE PROPOSED TRANSACTION

3. The Proposed Transaction is a financial investment taking place in ordinary course of business for CI-II and the Carlyle Group. The Proposed Transaction represents an investment opportunity for the Carlyle Group given the growth and development of data centre services in India and growth potential of Nxtra Data. Through its investment in Nxtra Data, CI-II

seeks to achieve an attractive return on its investment in line with its mandate from its investors.

4. For Nxtra Data, the Proposed Transaction represents an opportunity for Nxtra Data to secure investment in its business through issuance of equity and preference capital. Nxtra Data shall use the proceeds from the Proposed Transaction to further scale up its infrastructure and offerings. This would help Nxtra Data to tap the massive growth opportunities in the Indian market and be able to offer its services to new and potential customers and not be limited to serving a limited subset of customers.

IV. RELEVANT MARKET(S) TO WHICH THE COMBINATION RELATES

5. At the outset, it is submitted that there are no horizontal overlaps or complementary offerings that are offered by Nxtra Data and the Carlyle Group in India. Therefore, there is no specific relevant market defined.
6. However, there are certain very limited existing vertical links, where Nxtra Data provides data center colocation services to certain entities controlled by the Carlyle Group.
7. In the absence of any horizontal overlaps or complementarity, the precise definition of the relevant markets may be left open.

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