# POST

## Data Centre Newsletter

2ND EDITION

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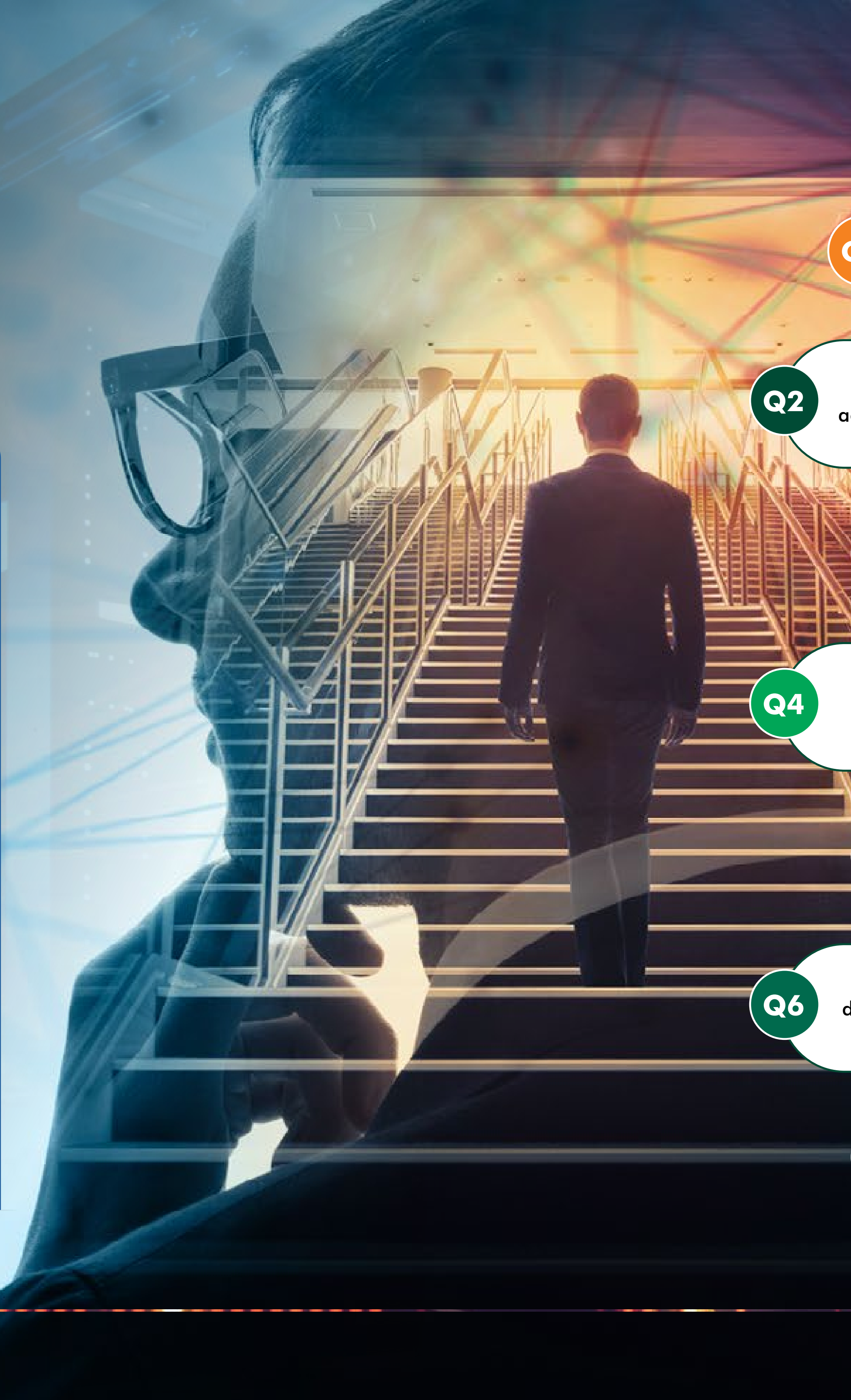
CBRE

# DATA CENTRE SPOTLIGHT

## DEBJANI GHOSH

President, NASSCOM

Debjani Ghosh is the President of the National Association of Software & Services Companies (NASSCOM) since April 2018. A veteran of the technology industry, she is the fifth president of NASSCOM and the first women at the helm. NASSCOM, is the premier trade body of the industry in India, with over 2800 Indian and multinational member companies. Guided by the vision of the country to adopt and integrate digital technologies, NASSCOM has been actively working towards enabling a digital transformation in the country through technology integration. As President of NASSCOM, Debjani is responsible for establishing new growth areas for the technology industry in India and works with governments and industry stakeholders to establish policies and initiatives that help accelerate the growth of the sector in India and across the world.



Rollover on questions to reveal the answer

**Q1** Start-ups today have become an enabling factor for growth of various industries. Besides providing some cost-effective solutions, they are also leading at the innovation front. How do you see the future for Start-up industry in the country?

**Q2** While government has put in place some much required policy framework for their growth, what according to you are some of the biggest challenges faced by Start-ups in the country?

**Q3** Do you think that Covid-19 will create new opportunities for Indian Start-ups? Will sectors such as healthcare, pharmaceutical, e-commerce witness some innovative Start-ups coming up?

**Q4** What should be the strategy for Indian Start-ups to create a mark for themselves in the international arena?

**Q5** Data consumption in India has doubled over the last few years driving the need for new data centre businesses. Do you foresee a huge opportunity for startups focused on data centre businesses?

**Q6** Covid situation has reinforced the importance of data centres. What according to you is the future of Indian Data Centre industry in the post covid era?

**Q7** What are the key trends that will shape the Indian Data Centre industry in the next 5 years?

# EXPERT SPEAK

Q1 What according to you is the state of Data Center industry – challenges and opportunities that exist today?

Q2 What are the key trends that will shape the Global Data Center industry in the next 5 years?

Q3 What are the key factors driving the growth of the Data Center Colocation?

Q4 Which industries are driving increased demand for data centers globally?

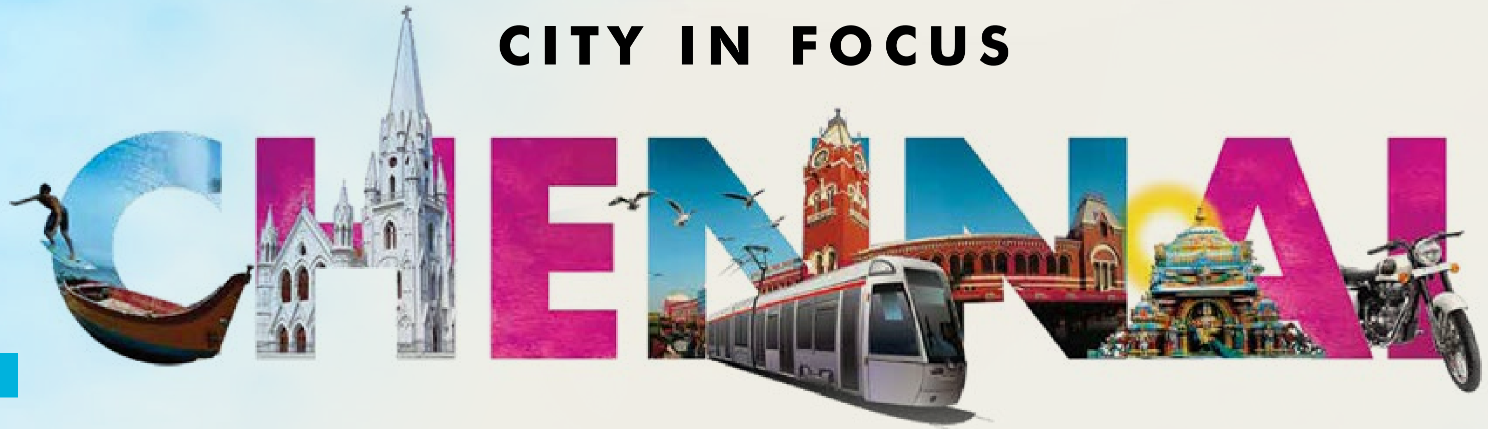
Q5 What Data Center strategies should companies adopt during these challenging times?

Q6 Why data centers are emerging as an attractive real estate investment?

Rollover on questions to reveal the answer

**ANDREW JAY**
Head of EMEA
Data Centre Solutions, Advisory & Transaction Services
CBRE

# CITY IN FOCUS




*Chennai, also referred to as Detroit of Asia, a city renowned for its tech and automobile sectors, has now emerged as one of the forerunners of the Data Centre (DC) segment in India. While the city already hosts several small to medium scale DC facilities, in recent times, Chennai has been witnessing large-sized investment commitments due to its strategic location and recent government impetus.*

## DC SEGMENT IN CHENNAI – A SNAPSHOT

- One of the fastest growing DC markets in India, next to Mumbai
- Total DC capacity – **68.0 MW**[1]
- Upcoming Supply – **45.0 MW**[2]

## MAJOR DC LOCATIONS IN CHENNAI

- **Ambattur** – Located in the western part of the city, Ambattur houses the DC of a prominent player - ST Telemedia GDC India, making it one of the most ***established DC destinations***
- **Siruseri** – Siruseri, located in the south, is the tech destination of the city and another major ***established DC location.*** It is dotted with ***government-promoted DC developments and is in proximity to Old Mahabalipuram Road.***
- **Oragadam** - *Investor interest* towards Oragadam has been ***growing***, an indicator that it would emerge as the ***next big DC destination*** in Chennai.

1. As on Q1 2020
2. Q2 2020 to 2022
3. International CLS in Chennai: (1) i2i cable CLS owned by Airtel (2) TIC cable CLS owned by Tata Communications (3) SMW4 cable CLS owned by Airtel and (4) Intra-India CLS Chennai-Port Blaire cable recently inaugrated in Aug-2020
4. Software as a Service
5. Social Media, Mobile, Analytic, and Cloud
6. Tamil Nadu Information Communication Technology Policy, 2018

## DC-RELATED GOVERNMENT INITIATIVES IN CHENNAI

Among all Indian states, Tamil Nadu was one of the first movers to release state-specific initiatives for the DC segment. Few of the key initiatives include:

- Tamil Nadu was the first state in India to build its own dedicated full-fledged ***'Disaster Recovery Centre'***.
- The state government has set up a ***'State Data Centre and Disaster Recovery Centre'*** in Tiruchirappalli to ensure business continuity of critical e-governance service applications hosted on the ***'Tamil Nadu State Data Centre'*** platform during emergencies such as natural disasters.
- The government has also announced incentives for tech start-ups in Chennai and Coimbatore in the form of ***providing infrastructure support for operations such as SMAC***[5] and DCs. This is likely to boost demand for DCs in the state[6].

## KEY DRIVERS 'CHARGING UP' DC SEGMENT'S GROWTH IN CHENNAI

- ***Substantial cost arbitrage*** provided by Chennai's coastal line has facilitated ***direct submarine routes.***
- Reliable fibre optic network connectivity in the city with ***four undersea cable landing stations (CLS)***[3]
- High scale of ***network reliability***
- Availability of ***large bandwidth***
- Geographic ***proximity to Asia's major cities***
- Evident ***secondary or disaster recovery site***
- Competitive ***land and development costs***
- Increasing ***presence of domestic tech firms in the city***
- Contributes to about ***11% of the total IT exports*** from India
- ***'SaaS***[4] ***capital*** of India' and a ***leading outsourcing hub***
- ***Integrated IT infrastructure*** consisting of state data centre, state-wide area network, cloud computing and disaster data recovery centre
- Contributes to about ***16% of total electronic production*** in India
- ***Second*** largest ***Computer, Electronics and Optical Products Manufacturer*** in India

# CBRE INDIA-
# DATA CENTER OFFERING

## ADVISORY SERVICES

### NEED ASSESSMENT
STAY VS GO ANALYSIS
SELF-PERFORM VS. COLOCATION VS CLOUD
TOTAL COST OF OWNERSHIP STRATEGY
DETAILED IT ASSESSMENT

### STRATEGIC PLANNING
MARKET DYNAMICS ANALYSIS
LOCATION ANALYSIS
INFRASTRUCTURE DISCOVERY/ PLANNING
APPLICATION MODERNIZATION

### DESIGN & BUILD SOLUTION
SITE FINDING, SHORTLISTING & NEGOTIATIONS
COLOCATION SOLUTIONS, MANAGED SERVICES, CLOUD, NETWORK
SERVICE LEVEL AGREEMENTS

### MIGRATION
MIGRATION PLANNING
PHASED WISE MIGRATION OF IT RESOURCES
UNMOUNT/ RELOCATE/ MOUNT

## MANAGED SERVICES

### STEADY STATE ASSESSMENT
OS AND DB MANAGEMENT
ASSET MANAGEMENT
DESIGN/ COST OPTIMIZATION

### CONTINUOUS IMPROVEMENTS
PERIODIC REVIEW AND AUDITS
INDUSTRY PRACTICES
GLOBAL INSIGHTS

## DISASTER RECOVERY

### FAILOVER & CONTINUITY
ASSESSING IT AND APPLICATION CRITICALITY
RECOVERY OBJECTIVES
RECOVERY TOOLS & TECHNIQUES
TEST AND PRACTICE YOUR DR PLAN

**As a dedicated business line within CBRE, Data Center Solutions is committed to delivering a completely neutral & unbiased Advisory solution to Enterprise Clients and solving complex challenges within every stage of the data center lifecycle.**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 6,000+ | 10+ | $1B | $1.8B | 610 | 20+ | 400 MW | 75 MSF | 100+ |
| DEDICATED DATA CENTER PROFESSIONALS | INDUSTRY AWARDS OF EXCELLENCE | CONTACT VALUE IN PROJECT MANAGEMENT | CONTRACT VALUE IN TRANSACTIONS* | DATA CENTERS MANAGED | YEARS AS A DEDICATED SERVICE OFFERING | COMPLETED GLOBAL TRANSACTIONS* | WHITE SPACE MANAGED | DATA CENTER PROJECTS COMPLETED |

# SUCCESS STORY- HYBRID TRANSACTIONS

## BACKGROUND

| CLIENT | SIZE | LOCATION | SAVINGS |
|---|---|---|---|
| LOGISTIC FIRM IN BANGALORE | 350 VIRTUAL INSTANCES | INDIA | 25%+ |

### CUSTOMER SCENARIO

- Large Logistics firm with Head Office in Bangalore, Zonal offices across Major Cities and regional Offices across all Tier 1 &2 Cities
- Client had been growing its business and operations in India and expanding on-premise DC solutions time and again.
- With Central DC all locations were mandated to reach Central DC in Bangalore and No DR site available

### CHALLENGES

- Internally developed legacy applications with no complete network mapping. IT equipment sourced sporadically leading to multiple contracts and support cycles
- Inability to expand existing DC inhouse. Lack of inhouse resources
- System lacks Agility and Scalability, Significant vendor Dependency, operational challenges

### SOLUTION

- Complete IT Assessment was conducted to determine the Application and Network Mapping.
- The report generated for the customer clearly defined- Applications ready for Cloud migration, Application requiring re-platforming and Applications which need to stay in house.
- Multiple options with vis-a-vis techno commercial comparison across potential service providers was conducted by CBRE.

### RESULT

- Migrated customer to Hybrid Platform enabling customer to leverage the best of all platforms
- Single Management Console was deployed enabling the IT Team to act as enablers to the business functions and perform their work flawlessly
- Significant cost saving of 25% and faster time to market meant a more happy C- Level and internal customers

# CBRE INDIA

CBRE was the first International Property Consultancy to set up an office in India in 1994. Since then, the operations have grown to include more than 10,000 professionals across 10 offices in the country.

The guiding principle at CBRE is to provide strategic solutions that make real estate holdings more productive and economically efficient for our clients across all service lines. With an unrivalled presence in over 80 cities in India, including affiliates and strategic partnerships, we develop local market intelligence into measurable results for clients.

**315+**
million sq.ft. of real estate space under management

**INR 260**
billion capital arranged for clients

**250+**
million sq.ft. of total space transacted

**700+**
million sq.ft. of projects managed

**3,500+**
consulting mandates undertaken

**1,00,000+**
properties valued across all estate classes

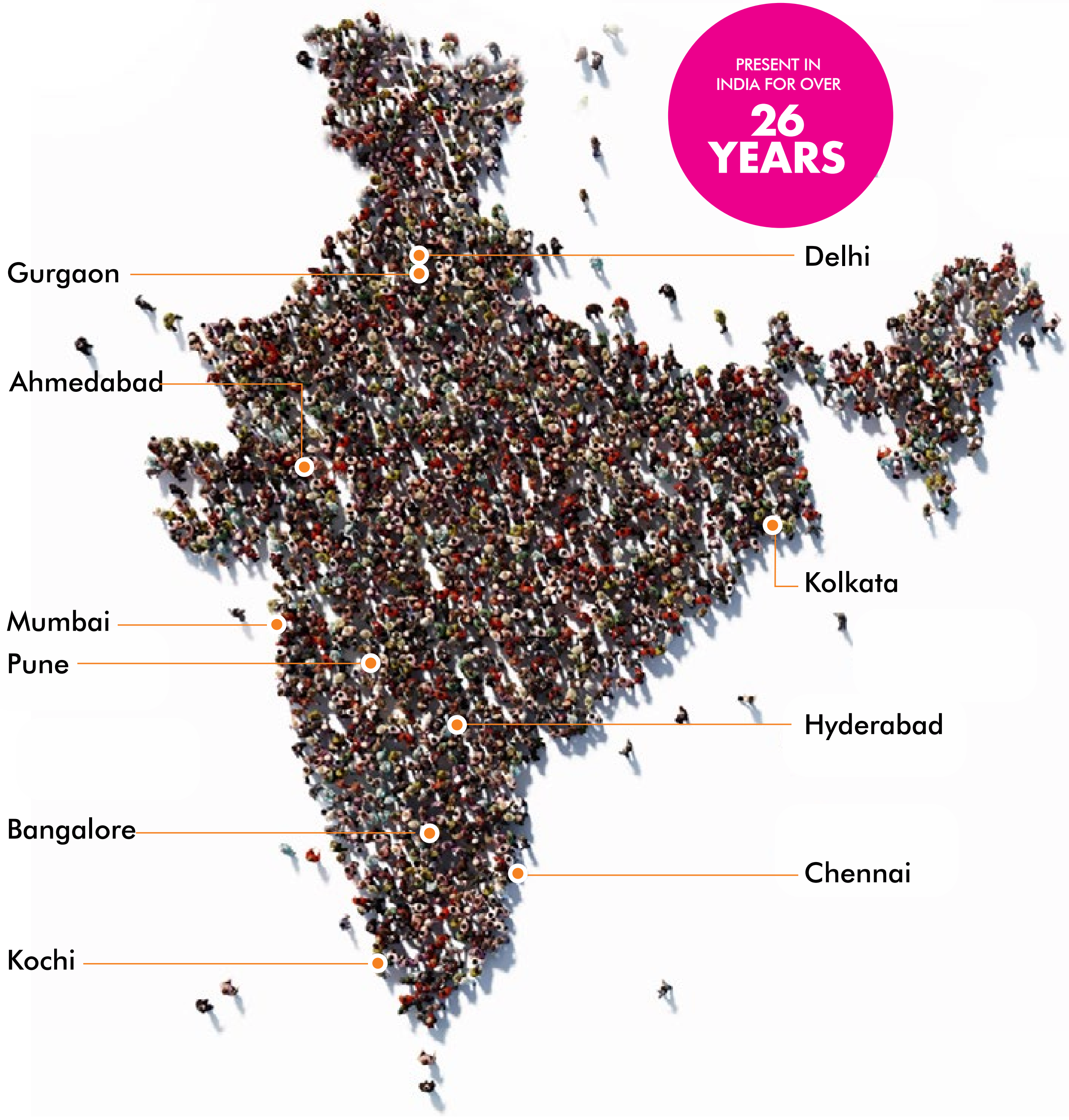
## INDUSTRY COVERAGE

8 out of 10 multinational banks

4 out of 5 top IT/ITeS firms

4 out of 5 top telecom firms

7 out of 9 leading automobile companies

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- PROJECT MANAGEMENT
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CBRE
WE DID IT AGAIN…
BEST AGENCY – OVERALL
#1
Letting / Sales
Property Valuation
Research
2020
EUROMONEY
REAL ESTATE
AWARDS

# NEWS OF THE QUARTER

**BREAKING NEWS**

## Latest in India Data Centre Industry

Japanese technology firm NTT to invest about $2 billion over the next four years to expand its data centre business in India

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Carlyle to acquire about 25% stake in Airtel's data centre business for about ₹1,780 crore

CLICK TO KNOW MORE

Equinix Enters India with a $161M Mumbai Data Center Acquisition

CLICK TO KNOW MORE

Microsoft to make fresh financial investments in Data Centres

CLICK TO KNOW MORE

Oracle has launched its second data centre in Hyderabad, quickly expanding in the country after its first such centre was unveiled in Mumbai last year

CLICK TO KNOW MORE

## Latest in Real Estate

'Upbeat on commercial real estate; to invest Rs 7,000 crore for developing 12 million sq ft': Purvankara MD Ashish

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Apple signs new real estate deal in India as investment continues.

CLICK TO KNOW MORE

Inspire Co-Spaces to invest about Rs 20 cr to set up seven coworking centres.

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Morgan Stanley leases 1.1 million sq ft office space in Mumbai.

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Brookfield's REIT issue may spur investment, demand in Indian commercial real estate: Experts.

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Strata raises Rs 140 crore for Warehouse investment opportunity amid lockdown.

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