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Reliance Comm forays into IT space

Our Bureau

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Now it is official. Reliance Communications, the flagship company of the Anil Dhirubhai Ambani Group, is broadening its business canvas by foraying into the IT sector.

Ending months of speculations, Mr Anil Ambani, the company's chairman, on Wednesday formally announced the company's entry into the IT sector. He also unveiled the name of its IT arm as Reliance Technology Services, a 100 per cent subsidiary of Reliance Communication.

The company formed its IT subsidiary on April 1, 2008 with focus on the four verticals of telecom, financial services, media and entertainment and utilities. "We will be first using this platform to serve our own group and later we will serve external customers. We are already in discussions with some of these potential external customers," Mr Anil Ambani, the company's chairman said.

There have been reports in the media that Mr Ambani has been watching the IT space with interest, planning to build up a formidable war chest to enter this segment.

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Mr Ambani said the company was planning a separate listing of its global arm, Reliance Globalcom, this fiscal, depending on the prevailing market conditions. He said the company would list on the London Stock Exchange.

Through the global arm, it was planning to extend the Yipes services to more countries. "The four new submarine cables that Reliance Globalcom was laying were all on schedule," he said.

The company will also be sharpening its focus on the direct-to-home segment and is planning a commercial launch of its Big TV brand shortly.

He was also bullish on the proposed IPO of Reliance Infratel, the subsidiary that owns R-Com's passive telecom infrastructure, as valuations "are moving northward".