

Reliance merges music apps amid streaming rise in India

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Indian conglomerate Reliance Industries said Friday it was integrating its music app with sector leader Saavn in a \$1 billion deal that shows the

high hopes for streaming in the billion-plus market.

Reliance, a company with holdings from oil to telecoms run by India's richest person Mukesh Ambani, said it would pump \$100 million into the combined [platform](#), one-fifth of it immediately, in hopes to make it "one of the largest streaming services in the world."

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Saavn, based in New York, has sought to tap into the appetite for [music](#) by tech-savvy Indians by offering a vast catalog of songs across 15 languages.

But like many streaming apps including global leader Spotify, Saavn has struggled to turn rapid growth into profit. It said last year that it had 22 million monthly users, a sliver of the potential in India.

A joint statement did not specify how the joint platform would be branded but said it would preserve one of the key attractions of Saavn—original content by artists from the subcontinent.

"Nearly 10 years ago, we had a vision to build a connected music platform, dedicated to South Asian culture across the globe," Rishi Malhotra, the co-founder and CEO of Saavn, said in a statement.

"Our alignment with Reliance enables us to create one of the largest, fastest-growing and most capable media platforms in the world," he said.

As part of the deal, Reliance will take a stake in Saavn for \$104 million while Malhotra and his two fellow co-founders will keep their leadership posts.

Existing stakeholders in Saavn include the German media giant Bertelsmann and US investor Liberty Media.

Streaming has rapidly transformed the music industry around the world by providing unlimited, on-demand songs online.

Reliance's deal with Saavn comes amid expectations that Spotify will soon launch in India, with reports that the Swedish company has located office space and hired key employees.

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