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## **Italian Co in talks with Reliance Retail for car services**



New Delhi, Feb 25: Italian automotive firm Corghi SPA is understood to be in talks with Reliance Retail, which plans to offer vehicle servicing of customers while they shop in its hypermarkets and supermarkets.

"Corghi is in advanced stage of talks with Reliance Industries for supply of garage equipment and other automotive technology," Carlo Paris, founder and CEO of Paris & Partners, an international business and financial advisory company, told reporters.

The main contractor Corghi in association with 150 other Italian companies has evinced interest to forge an alliance with reliance, said Paris, whose company is advising the Italian firm.

A Reliance spokesperson declined to comment on the plan.

Corghi is a leading manufacturer of tyre changers, wheel balancers, wheel aligners, lifting and testing equipment.

Although the deal is yet to be finalised, Paris said: "The only issue we face is Chinese competition as they supply cheaply priced equipments." But he added that the selling point of European firms was quality and reliability.

Reliance is mulling a foray into the automotive servicing sector by setting up multi-brand car servicing stations at their retail outlets, especially the hypermarket format stores that are due for launch.

The group's retail plan aims to cover 1,500 cities and towns, with over 1,500 supermarkets and 1,000 hypermarkets.

In developed markets, malls equipped with car wash and servicing sections is a common concept and replicating the idea in India would enable Reliance to diversify its revenue stream.

Bureau Report