

RSBL Launches India's First OTC Online Gold Trading Platform

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Purchasing gold just got easier for the Indian jeweler with the launch of RSBL Spot, the country's first over-the-counter e-trading platform that enables registered users to buy and sell online.

Though gold is traded online on commodity exchanges, there is no existing online gold trading platform for over-the-counter purchases. Jewelers wishing to make purchases today check gold prices on the phone before confirming orders, a process that is time-consuming and relatively inefficient.

The platform, which has been launched by RiddhiSiddhi Bullions Ltd. (RSBL), can be accessed through the company site at <http://www.rsbl.co.in/>. It will not only give the jewelers instant access to spot prices of gold but also the opportunity to get a better price through direct transactions that do not involve intermediaries. The minimum quantity that can be traded is 100 grams.

For now, only internationally recognized LBMA gold bars will be sold through the platform, and all transactions will be on a vault-to-vault basis – i.e. gold bars that have left the vault of the bank or bullion trader cannot be traded. This will ensure quality control and safeguard the buyer.

According to Prithviraj Kothari, managing director of RSBL, "The platform will make dealing more organized and free of risks and disputes."

Users of the new technology can save up to Rs 5 (\$0.12) per gram, which translates into a substantial amount, considering that India consumes about 600 tons of gold in jewelry each year.

RSBL Vice President Ketan Kothari says, "The technology that the platform uses has been customized for us and designed to facilitate use even by small players – the user only needs a computer with basic configurations and an internet connection of reasonable speed to participate. Hence it is ideal for the Indian jeweler."

RSBL Spot has already enrolled over 100 jewelers and aims to cover about 1,500 by March 2009.