

RiddhiSiddhi launches e-platform for bullion

'The platform will help the industry save Rs 300 cr by a click of mouse'

Our Bureau

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RiddhiSiddhi Bullions Ltd, a bullion trading company with an annual sales of \$1 billion, launched India's first electronic over the counter (OTC) bullion trading platform, called RSBL SPOT (Spot Precious metal Online Trading).

Gold contracts of 100 gm (0.999 purity) and 1 kg (0.995), besides contracts of 30 kg silver (0.999 purity) will be available for trade. Delivery centres will be in Mumbai, Ahmedabad and Hyderabad. Trades will be of T+2 cycle. RSBL has tied up with Axis Bank and Union

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The e-platform will not have account opening charges or terminal use charges and is targeted at jewellers' (wholesale and retail), and manufacturers of gold and silver ornaments. Investors and hedgers can also use the platform. The sale will be subject to a four per cent load. Mr Prithviraj S. Kothari,

Managing Director, RiddhiSiddhi Bullions, said "The platform will help small jewellers to save Rs 5 per gm that translates to Rs 50 lakh per tonne annually and considering an annual demand of 600 tonnes, the industry will save Rs 300 crore by a click of mouse."

RSBL will collect a deposit of Rs 25,000 and margin of Rs

1 lakh. With the deposit of Rs 25,000 an investor can buy up to 500 gm. Addition margin money will be called for depending on the open position at the end of the day, Mr Kothari said.

Mr Mukesh Kothari, Executive Director, said, "In international markets, gold price fluctuates between \$20-30 an ounce a day and around \$1 per ounce in silver, which translates to 2-4 per cent in actual value terms. Such high volatility in international prices and their real impact on Indian prices makes it absolutely necessary for jewellers in India to keep regular tab on market movement."

The impact of fluctuations in rupee-dollar value on gold price movements are taken care on the platform. "Rupee value against dollar is fed into the system manually every second and prices are arrived at after taking this into account," said Mr P. Kothari.

RSBL has 150 registered clients and targets to add 1,500 more in a year.

The platform helps combat volatility risks due to live trading covering Indian and international market hours (10 a.m. to 9 p.m.). The company plans to have delivery centres in Chennai, Coimbatore, Delhi, Kolkata, Rajkot and Indore soon.