

RSBL launches online OTC bullion trading platform  
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MUMBAI: Bullion trader RiddiSiddhi Bullions (RSBL) on Wednesday launched India's first over-the-counter online bullion trading platform.

The platform "Spot Precious metal Online Trading (SPOT)", aspires to reach out to 6,000 jewellers and manufacturers instantly.

"We are looking at adding 6,000 jewellers. In the first year we expect to add about 1000-1500," RSBL Director Prithviraj Kothari told reporters.

"With this technology, a small jeweller will save Rs 5 per gram that translates to Rs 50 lakh per tonne annually and considering annual consumption of 600 tonne, industry will save Rs 300 crore," he said.

As on date, the company has about 150 jewellers registered for the online trade.

RSBL Vice-President Ketan Kothari said SPOT is not an exchange but a trading platform focused on delivery of gold and silver.

With a T+2 cycle, a delivery would be compulsory after two working days of the trade, ensuring that the system is not misused for speculation.

"The prices on SPOT are comparable to international or other prices existing in the market. It is likely to emerge as the benchmark Indian price for precious metals," he said.

No charges will be levied for registering on the online trading platform. The customer would have to maintain a minimum margin of Rs 25,000.

Delivery centres would initially be in Mumbai, Ahmedabad and Hyderabad but the company plans to have pan-India presence by 2010.