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Reliance Money and NMCE plan agriculture spot exchange

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WEEKS after buying a 26 per cent stake in Ahmedabad-based National Multi-Commodity Exchange (NMCE), Reliance Money has announced its plans to set up a spot exchange for agricultural products along with NMCE.

The financial distribution company of Anil D Ambani Group and NMCE have planned to set up the agri-produce exchange, National Agriculture Produce Marketing Company of India Ltd (National APMC Ltd), to offer spot trading in Gujarat and Rajasthan.

Gujarat Niyantrit Bazar Sangh, the apex body of more than 200 mandis in Gujarat, is a co-promoter of National APMC. National APMC has also received approval from the government of Rajasthan to electronically integrate the agricultural mandis there.

PLY YOUR TRADE

- Electronic spot trading will provide better prices, transparent trading, guaranteed trades and better warehousing
- The exchange will benefit not only individual producers, but also farmer associations, co-operatives and corporates
- NCDEX Spot Exchange Ltd launched spot trading in December 2007, while MCX's National Spot Exchange plans to start it this month

“Electronic spot trading will provide better prices, transparent trading, guaranteed trades, better warehousing and logistics and lower marketing costs for farmers, traders and consumers,” said Reliance

Money CEO, Sudip Bandyopadhyay, who had joined the board of NMCE last month.

There are two other spot exchanges in the country promoted by the National Commodity and Derivatives Exchange (NCDEX) and the Multi-Commodity Exchange (MCX). NCDEX Spot Exchange Ltd launched spot trading in December 2007, while MCX's National Spot Exchange plans to start operations this month.

The National APMC will provide online price dissemination and an efficient warehouse-based delivery system, which will complement the existing efforts in the supply chain management of perishable commodities and reduce wastage. Being a neutral integrated platform, the exchange would benefit not only individual producers, but also farmer associations, co-operatives, corporate houses and other stakeholders, NMCE said.

