



## Press Release

### NSPOT: A leading integrated electronic spot market for commodities

**Delhi, October 20, 2010:** NCDEX Spot Exchange (NSPOT), the leading spot exchange of India has traded around 20, 000 metric tonne (MT) of food-grains through e-auction in current fiscal till date.

As NSPOT is strictly delivery based, its daily turnover varies from Rs. 100 lakh to Rs. 1000 lakh.

During first half NSPOT traded more than 35,000 MT of food-grains. Between April 1 and October 15, 2010, the NSPOT volumes were imported pulses: 20, 744 MT (as compared to 7, 824 MT across other spot exchanges), RM Seed: 12, 290 MT and sugar: 1, 267 MT. Steel NSPOT volumes were huge in the past and the rally is expected to re-gather momentum in near future.

NSPOT has more than 290 members and 1000 clients and the members include several state and central PSUs.

Speaking at the conference **Rajesh Sinha, Head of NCDEX Spot** said, "NSPOT facilitates PSUs and existing APMCs to develop more efficient online, real-time and transparent trading platform with clearing and settlement, integrated warehouses with real-time data management, initiating efficient procurement of non-MSP governed commodities and an efficient APMC markets on most efficient commercial principles and developing dynamic price setting mechanism."

NSPOT would follow the BOT model for developing electronically linked efficient APMC market. It would operate the market for 10 years and then handover to the *mandi*. NSPOT would work on continuous improvement of the operations and integrate these markets to the continuous online electronic markets before handing over.

NSPOT has been able to grow its operations multifold over last year largely on account of sweeping changes brought in its electronic trading platforms. It transformed its membership process, clearing and settlement mechanism and worked on easy access and direct participation for even smaller players on its trading platform. NSPOT has undergone major transformation with a customer centric approach.



NSPOT provides multiple price discovery and trading mechanisms, settlement assurance and counter-party risk management, access to farmers, aggregators, whole-sellers and retailers, easy NEFT/RTGS based payment and funds settlement systems, flexible delivery schedules, large variety of commodity grades, warehouse based delivery mechanisms, assurance of quantity and quality and assurance of stock availability.

### **About NSPOT**

NCDEX Spot Exchange (NSPOT) is the leading pan India Electronic Spot Exchange with active contracts in the states of Maharashtra, Rajasthan, Karnataka, Madhya Pradesh, Gujarat and Kerala. NSPOT has successfully launched the contracts in Imported Pulses, Sugar, Chana, RM Seed, Gold, and Silver. Deriving strength from the expertise of National Commodity and Derivatives Exchange Ltd (NCDEX), NSPOT offers an electronic trading platform for trading in a host of commodities, both agricultural and non-agricultural to various market participants, primary producers including farmers, traders, processors etc. The trading platforms combine technological efficiency and market friendly trading features in a transparent atmosphere to make trading on NSPOT a rich and rewarding experience.