MCX MD Paranjape says have expertise for a spot exchange for gold

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By Shrikant Kuwalekar and Manashaa.G

MUMBAI - Multi Commodity Exchange of India Ltd has the expertise for a spot exchange for gold, Mrugank Paranjape, managing director and chief executive officer, said today.

"The futures contract functions as a spot contract during the tender period and exchange has the experience to handle 500-600 kg delivery during this period," he said.

He was speaking on the sideline of the launch of Multi Commodity Exchange Clearing Corp Ltd.

The exchange has signed a pact with India Bullion and Jewellers Association to explore the viability of setting up a bullion spot exchange.

A spot exchange is expected to bring transparency in pricing of gold, giving an impetus to recycling, and reduce imports.

The India Bullion and Jewellers Association had in December 2015 joined hands with BSE to launch a gold spot exchange, in which the latter was to provide the technology know-how for 30% stake. However, the spot exchange has not been launched yet. End

Edited by Ashish Shirke