



MD OVERSEAS

PROMOTER:

Purnamal Bansal,
chairman emeritus

BUSINESS: Bullion
trading, real estate

TURNOVER:

Rs 10,000 crore for the
past three years

SHINING BRIGHT

S EVEN decades ago, Purnamal Bansal was just 12 years old when he started a small trading business at the Chamber of Commerce in Hathras, Uttar Pradesh. In the mid-1950s, he moved to Delhi and tried his luck in trading agri-commodities (physical and futures) such as pulses, edible oils, oilseeds and silver bullion.

Today, he is a leading importer-exporter of gold and silver in India and heads the MD Overseas Group, whose average turnover was Rs 10,000 crore in the past three years.

Bansal is the chairman emeritus of the group and the business is headed by his two sons, Satish and Vinod, who have been in the business since the 1970s.

The Bansals saw a big opportunity in the mid-1970s when the government permitted the export of silver bullion. In 1976, they beat competitors to set up the first RBI-approved and recognised refinery in north India. But they hit a wall when silver export was banned during the 1978-79 period, and the Bansals were forced to diversify into trading of various other items including photographic colour films, chemicals, metals, yarns, textiles, etc.

When silver prices hit the roof in the 1979-82 period, they briefly returned to their original business and even entered the international bullion market by setting up overseas offices in Hong Kong and New York to buy and ship silver coins and scrap to European refineries.

Once liberalisation in India allowed import of gold and silver, MD Overseas turned its focus back to its old business — bullion trading. “Last year, we did a business of 600 tonne of gold and silver, about 200 per cent more than the 200 tonne the previous year,” says Atul Banshal, president, finance, MD Overseas, which deals with over 400-500 buyers and employs over 100 people.

From a turnover of \$1.35 billion in 2007, the group touched \$2.7 billion in 2009, thanks to rising gold prices. In two years, the group plans to have offices in 14 cities. “Buying gold at the right price at the right time is the key to success in this business,” says Banshal.

MD Overseas, which has membership in commodity trade exchanges such as MCX, MCX-SX, NSEL and NCDEX, plans to start online trading facilities. Another diversification is into real estate, through a group company, Young Builders, which is doing a residential project in New Delhi.

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