

Chapter [4]: Code of Conduct & Ethics

Version History

Version	Date	Description
0.3	14th June 2022	Released to NPs
1.0	15th September 2022	<ul style="list-style-type: none">- Changed Chapter Number from '11' to '4'. Changed numbering for clauses and sub-clauses accordingly- Clarified that sharing Confidential Information as part of Transactional Documents for the completion of a transaction is permissible

4.1. General Principles

The ONDC Network is based on certain fundamental values and integrity levels, which all Network Participants including any associated Ecosystem Participants are required to uphold in their conduct on the ONDC Network. These include:

- 4.1.1. ensuring confidentiality of their transactions with other Network Participants and users involved;
- 4.1.2. acting in accordance with the ONDC Agreement and Network Policies, including making no use of any ONDC intellectual property for their own purpose without documented consent from ONDC; and
- 4.1.3. providing services on non-discriminatory basis.

4.2. General Guidelines

A Network Participant must:

- 4.2.1. report any breaches or compliance evasions by Ecosystem Participants associated with it, of any applicable provision of Applicable Law, this Network Policy or other applicable policies framed by ONDC, in relation to the activities carried out on the ONDC Network, to the authorised representative appointed on behalf of ONDC.
- 4.2.2. provide accurate information to consumers, Sellers, and every interested party about the ONDC Network and its features.
- 4.2.3. respect intellectual property rights, including copyrights, patents, trademarks and trade secrets of ONDC and all Network Participants and Sellers.
- 4.2.4. not deliberately destroy or diminish the value or effectiveness of the ONDC Network through acts of commission or omission.
- 4.2.5. abide by the operational parameters, notices, directions, orders, regulations, rules, guidelines, and instructions issued by a Government Authority as may be applicable from time to time.
- 4.2.6. ensure that the agreement with Ecosystem Participants provides that the Ecosystem Participants are required to ensure compliance with the ONDC Network Policy and other applicable policies framed by ONDC, in relation to the activities carried over the ONDC Network.

4.3. Adherence to Network Policies and ONDC Agreement

Every Network Participant shall adhere to the Network Policies as prescribed by ONDC. The Network Participant shall comply with the ONDC Network Participant Agreement, as applicable, in spirit and as per the text of such policies and agreements.

4.4. Honesty, Fair Network Practices and Network Relationships:

- 4.4.1. In a transaction on the ONDC Network, every Network Participant must endeavour to act in the best interests of Buyers and Sellers.
- 4.4.2. Network Participants and Ecosystem Participants must be committed to fair business practices and should not seek competitive advantage through illegal practices such as manipulation, misrepresentation, concealment, harassment, abuse of confidential information or any other unfair dealing or practice which is not in accordance with the Applicable Laws and the Network Policy.
- 4.4.3. Network Participants and Ecosystem Participants must endeavour to deal with customers, partners, suppliers, competitors and other directors, officers and staff of other Network Participants and ONDC on a non-discriminatory manner.
- 4.4.4. Network Participants must ensure that all statements, communications, and representations made to ONDC are accurate, complete, and truthful and made by authorised officials. Network Participants and Ecosystem Participants must refrain from making or attempting to make any misrepresentation, unauthorised commitments to or on behalf of ONDC.
- 4.4.5. Network Participants and Ecosystem Participants must respect the privacy of all ONDC's participants, clients and employees.
- 4.4.6. Network Participants and Ecosystem Participants should not defame ONDC, the ONDC Mark, other Network Participants or competitors.

4.5. Anti-Bribery & Anti-Corruption

- 4.5.1. ONDC has a *zero-tolerance policy* with respect to *any* form of bribery or corruption. Network Participants and Ecosystem Participants should not engage in any form of bribery or corruption, whether directly or indirectly through a third party.
- 4.5.2. Without limitation to the situations described herein below, Network Participants and Ecosystem Participants:
 - (i) are prohibited from directly or indirectly offering / promising / authorising bribes, commissions, or other similar improper payments or anything of value to anyone in any form to any person, including government officials, private persons, Buyers, Sellers, or their representatives, for the purpose of wrongfully obtaining an advantage while transaction on the ONDC Network or otherwise.
 - (ii) shall not influence or attempt to influence ONDC onboarding process through any kind of gift, payment, remuneration or entertainment to ONDC employee or their Relatives or friends.
 - (iii) are required to implement monitoring and enforcement procedures to ensure compliance with all anti-corruption laws.
 - (iv) are required to raise invoices and claims in line with the agreed services and supplies, along with all supporting documentation.

4.6. **Conflicts of Interest**

All Network Participants should strive to avoid situations where a conflict of interest might occur or appear to occur. In the event a Relative of an Ecosystem Participant or Network Participant is an executive or director of ONDC or its shareholders and is in a position to influence the business decisions related to the Ecosystem Participant or Network Participant, it must disclose this information to ONDC. Further, conflicts of interest may arise when a director or executive of ONDC has, including but not limited to:

- 4.6.1. significant ownership or interest in a Seller or Ecosystem Participant or Network Participant; or
- 4.6.2. consulting relationship with such Ecosystem Participants or Network Participants or Seller.

4.7. **Protecting Confidential Information**

- 4.7.1. Network Participants may receive Confidential Information as a part of their routine business. Network Participants must never disclose Confidential Information (except where required by law or regulation, or as may be required for dispute resolution or for investigation by ONDC). Network Participants should maintain a confidentiality policy with which all its directors, officers, consultant advisors and staff are required to confirm compliance on a regular basis.
- 4.7.2. Clause 4.7.1. will not prevent disclosure of any Confidential Information that is reasonable to disclose to a Network Participant's employees, agents, sub-contractors, advisors or consultants with a need to know such information for its regular business activities (such as information shared by Network Participants as part of a transaction, through the ONDC Protocol).
- 4.7.3. Network Participant must ensure that all Ecosystem Participants engaged by it are in compliance with the confidentiality and privacy obligations; and that such confidentiality should be maintained even after the agreement between the Network Participant and Ecosystem Participant expires or is terminated.

4.8. **Operational Principles**

Every Network Participant must ensure that:

- 4.8.1. any personnel who engage with ONDC have the necessary authority to do so;
- 4.8.2. employees are adequately trained in operating in the relevant areas they are assigned to and are aware of their own, and their organisation's responsibilities as well as the relevant statutory acts governing the Network Participant, the Network Policies, as amended from time to time; and
- 4.8.3. no Ecosystem Participant or Network Participant or person associated with the ONDC Network shall make improper or fraudulent use of the ONDC Network.

4.9. **Enforcement**

- 4.9.1. If a Network Participant or Ecosystem Participant is in violation of the requirements of this Code of Conduct & Ethics, ONDC expects the Network Participant to inform ONDC immediately and remedy any such violation in a timely and sensitive manner.
- 4.9.2. Failure by a Network Participant to remedy the violation may lead to a review, suspension or termination of the Network Participant's relationship with ONDC. Specific terms for non-compliance with this Code of Conduct & Ethics will generally be covered within the Network Policy and/or the respective agreements.
- 4.9.3. The failure or omission by ONDC to insist upon strict performance and compliance with any of the provisions of this Code of Conduct & Ethics at any time shall not be construed as a waiver of ONDC's rights under this Code of Conduct & Ethics, the Network Policy, the respective agreement, at law, or in equity.
- 4.9.4. ONDC has the right to revoke any membership to the ONDC Network in the event that the Network Participants violate Applicable Laws and/or prescribed Network Policies or the ONDC Agreement or engages in conduct that discredits or disgraces the reputation of ONDC and the ONDC Network.