

## NOTICE

Notice is hereby given that the **Extra Ordinary General Meeting** of the Members of **Open Network For Digital Commerce** is scheduled to be held on **Friday, 02<sup>nd</sup> September, 2022** at 4.00 p.m via video conferencing pursuant to provisions of circular no. 14/2020 dated 8<sup>th</sup> April, 2020, circular no. 17/2020 dated 13<sup>th</sup> April, 2020, circular no. 20/2021 dated 08<sup>th</sup> December, 2021 and General Circular No. 03/2022 Dated 5<sup>th</sup> May, 2022 as issued by the Ministry of Corporate Affairs considered to be held at the Registered Office of the Company situated at 4, Second floor, DDU Marg, New Delhi- 110002 to transact the following business.

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### **SPECIAL BUSINESS:**

- 1. To consider and if thought fit, to pass with or without modification/s the following resolution as a Special Resolution:**

### **AUTHORIZATION FOR ISSUE OF EQUITY SHARES, UNDER PRIVATE PLACEMENT:**

**“RESOLVED THAT** pursuant to the provisions of Section 23, 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof and subject to the relevant provisions of the Article of Association of the Company; the consent of Members of the Company be and is hereby accorded to issue and offer not exceeding 32,50,000 (Thirty Two Lakhs Fifty Thousand) Equity Shares of Rs. 100/- each at par aggregating to Rs. 32,50,00,000/- (Rupees Thirty-Two Crores Fifty Lakhs Only), in one or more tranches, on such terms and conditions as the Board may deem fit under Private Placement Basis.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, all the directors of the Company, be and are hereby jointly and severally authorized to take all necessary steps to give effect to the above resolution with a power on behalf of the Company to settle any questions or difficulties or doubts that may arise in regards to any such issue or allotment as it may in its absolute discretion deem fit and to make all requisite filings with the Registrar of Companies for the purpose of issuance of the Equity Shares through private placement.



**RESOLVED FURTHER THAT** the certified copy of this resolution be forwarded to such investors and such other authorities as may be required for due completion of the process.”

**2. To consider and if thought fit, to pass with or without modification/s the following resolution as a Special Resolution:**

**APPROVAL OF PRIVATE PLACEMENT OFFER LETTER AND RECORDING NAMES OF POTENTIAL INVESTORS IN RESPECT OF ISSUE OF EQUITY SHARE:**

“**RESOLVED THAT** pursuant to the provisions of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 and the relevant provisions of the Article of Association of the Company, the draft of Private Placement Offer i.e. Form PAS-4 and the register / record of Private Placement Offer as per Section 42 of the Companies Act, 2013 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in Form No. PAS-5 along with the Share Application Form, copies of which are placed before the members in respect of issue of 32,50,000 (Thirty Two Lakhs Fifty Thousand) Equity Shares of Rs. 100/- each at par aggregating to Rs. 32,50,00,000/- (Rupees Thirty Two Crores Fifty Lakhs Only) be and are hereby approved.

**RESOLVED FURTHER THAT** Mr. Thampy Koshy, Managing Director of the Company be and is hereby authorised to finalize the terms of Private Placement Offer and sign and execute the same.

**RESOLVED FURTHER THAT** Mr. Thampy Koshy, Managing Director of the Company be and is hereby authorised to sign and execute necessary papers and documents and to do such acts, things, matters and deeds as may be required in order to give effect to this resolution.”

**3. To consider and if thought fit, to pass with or without modification/s the following resolution as a Special Resolution:**

**ALTERATION OF CLAUSE (d) OF ARTICLE XIV OF THE ARTICLES OF ASSOCIATION OF THE COMPANY**

“**RESOLVED THAT** consequent upon the receipt of approval of the Central Government (Delegated power to Registrar of Companies) and pursuant to the provisions of Section 14 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 and any other applicable provisions, if any, of the Companies Act, 2013, and Rules and Regulations made thereunder, as



amended from time to time; the Articles of Association of the Company be and is hereby altered by substitution and modification of clause (d) of Article XIV as mentioned below and the said new Article shall read as follows:

“Article XIV (d):

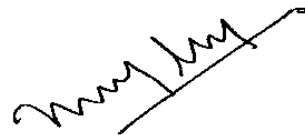
*The shareholder representative nominated to the Company Board shall be a member of the Board of Directors or the Governing Body of the Shareholder or a head of business who reports directly to the Managing Director or to the Board.”*

**RESOLVED FURTHER THAT** Mr. Thampy Koshy, Managing Director of the Company, be and is hereby authorized to sign any documents and forms and file the necessary forms with the Registrar of Companies, Delhi and do all such acts, matters, things and deeds that may be necessary, expedient and imperative to give effect to the foregoing resolution.”

**Registered Office:**

4, Second floor,  
DDU Marg,  
New Delhi- 110002.

**By Order of the Board  
For Open Network For Digital Commerce**



Date: 08.08.2022.

**Thampy Koshy  
Managing Director  
DIN: 09479938**



## NOTES

1. The Statement as required under Section 102 of the Companies Act, 2013 (“the Act”) is annexed to the Notice.
2. In view of the prevailing lock downs enforced across India, due to massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, and the Government of India, the Ministry of Corporate Affairs (‘MCA’) has vide its circular no. 14/2020 dated 8<sup>th</sup> April, 2020, circular no. 17/2020 dated 13<sup>th</sup> April, 2020, circular no. 20/2021 dated 08<sup>th</sup> December, 2021 and General Circular No. 03/2022 Dated 5<sup>th</sup> May, 2022 (collectively referred to as ‘MCA Circulars’) permitted the holding of the Extra-ordinary General Meeting (‘EGM’ or ‘Meeting’) through Video Conferencing (‘VC’) facility or Other Audio Visual Means (‘OAVM’), without the physical presence of the Members at a common venue.

The procedure for joining the EGM through VC/OAVM is mentioned in this Notice.

3. The Company shall conduct the Meeting through video conferencing by using ‘Microsoft Teams application’ and the members are requested to follow the below mentioned instructions for participating in the Meeting through ‘Microsoft Teams application’.
  - (i) The members will get a meeting invite at the registered email addresses of the persons entitled to attend the Meeting, for joining the Meeting through Microsoft Teams application.
  - (ii) For joining through laptop/desktops, the instructions are as follows:
    - (a) Select ‘Join Microsoft Teams Meeting’ in the meeting invite sent to you on your email address/calendar. Thereafter, a page will be displayed where you can choose to either join on the web or download the desktop app. If you already have the Microsoft Teams app, the meeting will open on the app automatically.
    - (b) If you do not have a Teams account, select ‘Join as a guest’ and enter your name to join the meeting as a guest. If you have a Teams account, select ‘Sign in and join’.
  - (iii) For joining through mobile phone/iPads, the instructions are as follows:
    - (a) For easy and efficient access of the Microsoft Teams meetings (including audio, video, and content sharing) on mobile, it would be advisable to



download and install the Microsoft Teams mobile app.

**(b)** If you have the app, select 'Join Microsoft Teams Meeting' in the meeting invite sent on your registered email address to open the app and join the meeting. If you do not have the app, you will be taken to the app store where you can download the same.

**(c)** If you do not have a Microsoft Teams account, select 'Join as a guest' and enter your name to join the meeting as a guest. If you have a Teams account, select 'Sign in and join'.

(iv) It would be advisable to download and install the app before the meeting starts. It might take a minute or two, depending on your internet connection.

(v) Members who need any assistance or clarification while using the video conferencing facility can send an email at [saransh@ondc.org](mailto:saransh@ondc.org) (primary contact), [koshy@ondc.org](mailto:koshy@ondc.org) (leadership contact) or can call at the number: 8975292381 (Saransh Agarwal).

4. Since the EGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. In terms of General Circular No. 14/2020 dated April 08, 2020 issued by the Ministry of Corporate Affairs as amended from time to time, the facility for appointment of proxies by the Members will not be available for the EGM.
5. The soft copy of registers as required to be maintained in accordance with the provisions of the Companies Act, 2013, will be made available in digital form at the request of the members at the General Meeting
6. Members can, prior to the Meeting, seek technical assistance on the abovementioned number between 2 pm to 3.30 pm prior to the meeting.
7. Members can login and join 15 (fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.
8. Members attending the EGM through VC/OVAM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. All the Members participating in the Meeting will be allowed to pose questions concurrently at the Meeting or alternatively, they can submit their questions in advance at the aforesaid designated email address of the Company.



10. If a poll is ordered to be taken by the Chairman or demanded in accordance with Section 109 of the Companies Act, 2013, members can cast their vote during the Meeting by sending an email to [saransh@ondc.org](mailto:saransh@ondc.org) (primary contact), [koshy@ondc.org](mailto:koshy@ondc.org) (leadership contact) from their email addresses registered with the Company.
11. Corporate Members intending to send their authorised representative to attend the Meeting are requested to send a certified true copy of the Board Resolution/copy of Power of Attorney authorizing their representative to attend and vote on their behalf at the Meeting.
12. An invitation to join the meeting via videoconference shall be sent to all the shareholders and their representatives on their e-mail addresses registered with the Company.
13. All documents referred to in the accompanying Notice and the Explanatory Statement have been sent along with this Notice to the registered email addresses of the persons entitled to attend the Meeting and shall also be available electronically on request by sending an email to [saransh@ondc.org](mailto:saransh@ondc.org) (primary contact), [koshy@ondc.org](mailto:koshy@ondc.org) (leadership contact).
14. Since the EGM will be held through VC in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.



**Explanatory Statement as per Section 102 of the Companies Act, 2013**

**Item No. 1 and 2:**

Considering the long term funds requirement of the Company to accomplish its path-breaking objectives, Government and Private Participation is desired in the Company which can be achieved by making the new investors in the Company as equity partner in the entity. Accordingly, the Company proposes to issue and offer 32,50,000 (Thirty-Two Lakhs Fifty Thousand) Equity Shares of Rs. 100/- each at par aggregating to Rs. 32,50,00,000/- (Rupees Thirty-Two Crores Fifty Lakhs Only).

The issue price for the proposed issue of equity shares is Rs. 100/- (Rupees One Hundred only) i.e. at par. Considering the recently formed status, current operations of the Company, future prospects, general economic conditions and in view of the management perception, the Board is of the opinion that the Company would be able to issue equity at the face value of Rs. 100/- (Rupees One Hundred only). The issue price is arrived at considering the valuation report obtained from Independent Registered Valuer.

**Disclosure as required under Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014:**

The Company submits the following information for taking appropriate decision for approval of the proposed resolutions as set out in the notice of the meeting by way of special resolution:

<b>Sr. No.</b>	<b>Disclosure</b>	<b>Comments</b>
1	Purpose and Object of the Issue	To augment resources to achieve the long term and far reaching objectives of the Company.
2	Kind of Securities offered / total number of share or other securities to be issued and amount proposed to be raised	To issue 32,50,000 (Thirty-Two Lakhs Fifty Thousand) Equity Shares of Rs. 100/- each at par aggregating to Rs. 32,50,00,000/- (Rupees Thirty-Two Crores Fifty Lakhs Only).  The Company proposes to raise an amount aggregating up to Rs. 30,00,00,000/- (Rupees Thirty Crores Only) by issue of further equity shares in one or more tranches.

3	Date of the board resolution	08 <sup>th</sup> August, 2022
4	The price or price band at / within which the allotment is proposed	Rs. 100/- (Rupees One Hundred only) each at par.
5	Basis / justification on which the price has been arrived at along with the report of the registered valuer	The issue price is based on the fair value of shares as arrived by valuation by independent Registered Value. The Book Value Method is used for valuation of shares.
6	Material Terms of raising of Securities	<p>- <u>Ranking</u>: The Equity Shares shall rank pari-passu with the existing Equity Shares of the Company</p> <p>- <u>Duration, if applicable</u>: NA.</p> <p>- <u>Rate of Dividend or Rate of Interest</u>: The Company being Section 8 Company, is not allowed to declare dividend in terms of the provision of the License issued by the Regional Director read with the provision of the Companies Act, 2013 and rules made thereunder.</p> <p>- <u>Mode of Payment</u>: The Company shall accept payment towards equity shares through authorized banking channel. No cash will be accepted.</p> <p>- <u>Mode of Repayment</u>: NA</p> <p>- <u>Principle terms of assets being charged as securities</u>: N.A</p>



7	Name and Address of the valuer performing the valuation and relevant date with reference to which the price has been arrived at.	<p>Issue price has been arrived based on the valuation report obtained from Registered Valuer.</p> <p><b>Name:</b> Mr. Pratik Singhi, Chartered Accountants &amp; a Registered Valuer.</p> <p><b>Address:</b> B-301, Bhagirathi, Behind Natraj Studio, Off Sir M.V Road, Andheri East, Mumbai - 400069</p> <p>The Relevant Date with reference to which the valuation is arrived at is 31<sup>st</sup> March, 2022.</p>
8	The class or class of persons to whom the allotment is proposed to be made.	The Equity share are proposed to be offered to Government Bodies, Public Sector Banks and Resident Public Sector Entities.
9	Intention of promoters, directors or key managerial personnel to subscribe to the offer.	The promoters, directors and key managerial personnel do not intend to participate in this offer.
10	The proposed time within which the allotment shall be completed.	The allotment shall be done within 12 months from the date of passing of the special resolution for issuance of the further equity shares. The allotment shall, however be completed within 60 days of receipt of share application money as may be received during the offer period. The allotment may be made in more than one tranche.
11	The name of the proposed allottees and the percentage of post preferential offer capital that may be held by them.	<p><b><u>Name of Proposed Allottee:</u></b>  <b><u>As per Annexure I</u></b></p>
12	The Change in control, if any in the Company that would occur	There shall be no change in control post the proposed offer through private placement. The Company shall function independently

	consequent to preferential offer.	with all the existing shareholders holding less than 10% stake in the Company.
13	The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price.	<p>During the current Financial year, the Company has not raised any capital by way of preferential or private placement issue.</p> <p>However, in the previous year, ie the financial year 2020-21; the Company had allotted a total number of 1,42,50,000 Equity Shares having face value of Rs. 100/- each at par through private placement and preferential basis for a total consideration of Rs. 142,50,00,000/-. The Equity Shares were issued to 16 entities in total on private placement basis.</p>
14	The justification for allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Not Applicable
15	Contribution being made by the promoters or directors as a part of the offer or separately in furtherance of the objects.	The Promoter, Directors and Key Managerial Personnel do not intend to participate in the offer.
16	The pre and post issue shareholding pattern of the Company.	The pre and post issue shareholding pattern of the Company is mentioned in <b>Annexure 'II'</b> below.

Pursuant to the provisions of section 42 and 62 of the Companies Act, 2013 and rules made there under, the Company proposes to issue Equity shares under Private Placement Basis in one or more tranches by issuance of Private Placement Offer Cum Share Application form in Form PAS-4 to the select group of shareholder(s), the records of which are maintained in Form PAS-5 for issue of Equity shares.

Pursuant to the said provisions read together with rules framed there under, the Company needs to obtain approval of shareholders by way of special resolution.

The documents referred above are available at the Registered Office of the Company on any working day between 11.00 AM to 3.00 PM.

The Directors accordingly recommend the Special Resolution(s) for approval of the shareholders.

None of the Directors or the Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

**Item No: 3:**

ONDC was set up as a Section 8 company for creating the ecosystem conducive for the overall growth of the digital commerce sector in India with broad-based participation from buyers and sellers under the aegis of Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industries. To address the challenges of the India's eCommerce industry and to accomplish the objectives put forth by the Government of India, ONDC must be entitled to make decisions swiftly, build trailblazing technology and be responsive to the fast-changing business landscape and needs of digital commerce. For this, ONDC must attract resources with relevant experience and expertise and who will continuously innovate and experiment. Considering the importance of onboarding a leader with experience, expertise and appropriate leadership skills to drive this project, the Articles of Association of the Company provides Certain categories of Directors on the Board of the Company which inter-alia includes the Representative of Shareholders apart from other representatives like Government Representatives, Nominee of DPIIT, Independent Directors so and so forth.



As per the existing provisions of Article XIV (d) of the Articles of Association of the Company, only the Board Member or member of the governing body of the shareholder entity can be nominated for the Board position in the Company.

However, many banks being the shareholders of the Company are also subject to the provision of Banking Regulation Act, 1949 as amended from time to time and as per the provisions of the said Act, there are restrictions on occupying the Board position by the Board Members / Executive Directors of the Banking Company on the Board of any other Company including Investee Company.

Thus, in order to mitigate the clash between the provisions viz: the Banking Regulation Act vis-a-vis the Articles of Association of the Company, it is proposed to relax the provision of the existing Articles of Association of the Company, specifically clause (d) of Article XIV which contains an eligibility pre-condition with respect to appointment of Directors on the Board of the Company, namely that the proposed appointee should either be a member of the Board of the Directors or the Governing Body of the shareholder entity. The proposed alteration is to ease out the stringent eligibility criteria by facilitating the Nomination of the head of business who reports directly to the Managing Director or to the Board of the Banking Company for the Board Position in the Company. Such alteration would in turn facilitate the Bankers to Nominate their Senior Executives one level below the Board of the Banking Company for occupying the Board position in the Company and the Company in turn will be able to expand its Board to achieve the desired Board Structure as required by the separate provision in the Articles of Association of the Company.

The Board, at its meeting held on 14<sup>th</sup> May, 2022, approved the proposed alteration of the Articles of Association of the Company, However, since the Company is registered under Section 8 of the Companies Act, 2013, the Company is required to take approval of the Central Government (Delegated Power to the Registrar of Companies) as per the condition attached to the license issued to it at the time of its Incorporation. Accordingly, the Company had made an application to the Central Government in the office of Ministry of Corporate Affairs to permit the proposed change in its Articles and the same has been approved by the said statutory authority.



The altered Articles of Association shall be available at the Registered Office of the Company for inspection on any working day between 11.00 AM to 3.00 PM.

It is therefore proposed to seek the approval of the Members and the Directors accordingly recommend the Special Resolution for approval of the shareholders.

None of the Directors or the Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

<p><b>Registered Office:</b> 4, Second floor, DDU Marg, New Delhi- 110002.</p> <p>Date: 08.08.2022.</p>	<p><b>By Order of the Board For Open Network For Digital Commerce</b></p> <p><b>Thampy Koshy Managing Director DIN: 09479938</b></p>
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**Annexure I**

The name of the proposed allottees and the percentage of post preferential offer capital that may be held by them.

<b>Sr. No.</b>	<b>Name of the Shareholder</b>	<b>Type of Security</b>	<b>No of Shares</b>	<b>Percentage of post preferential offer capital (FDB )</b>
1	National Payments Corporation of India	Equity	10,00,000	5.26
2	Bank Of India	Equity	10,00,000	5.26
3	National Securities Depository Limited	Equity	10,00,000	5.26
4	BSE Investment Limited	Equity	2,50,000	5.26
			<b>32,50,000</b>	<b>15.79</b>

## Annexure II

### Pre and Post Issue Offer Shareholding Pattern (Equity Shares)

Sr. No.	Category	Pre-Issue		Post Issue	
		No. of Shares Held	% of Shareholding	No. of Shares Held	% of Shareholding
<b>A</b>	<b>Promoters Holding</b>				
1	Indian:				
	Individual				
	Bodies Corporate	20,00,000	12.70	20,00,000	10.53
	<b>Sub Total</b>	20,00,000	12.70	20,00,000	10.53
2	Foreign Promoters	--	--	--	--
	<b>Sub Total (A)</b>	<b>20,00,000</b>	<b>12.70</b>	<b>20,00,000</b>	<b>10.53</b>
<b>B</b>	<b>Non-Promoters Holding</b>				
1	Institutional Investors	--	--	--	--
2	Non-Institutional Investors:				
	Private Corporate Bodies	--	--	--	--
	Directors and Relatives	--	--	--	--
	Indian Public	--	--	--	--
	Others (Including NRI)	1,37,50,000	87.30	1,70,00,000	89.47
	<b>Sub Total (B)</b>	<b>1,37,50,000</b>	<b>87.30</b>	<b>1,70,00,000</b>	<b>89.47</b>
	<b>Grand Total</b>	<b>1,57,50,000</b>	<b>100</b>	<b>1,90,00,000</b>	<b>100</b>