

Second Annual Report

of

Open Network for Digital Commerce

for the

FY 2022-23

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NOTICE OF SECOND ANNUAL GENERAL MEETING

Notice is hereby given that **SECOND ANNUAL GENERAL MEETING** of the Members of **OPEN NETWORK FOR DIGITAL COMMERCE** is scheduled to be held on 30th day, September, 2023 at 11 am, via Hybrid Mode (Physical + Video Conferencing) pursuant to General Circular No. 20/2020 dated 5th May, 2020 read with General Circulars No. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, General Circular No. 02/2021 dated 13th January, 2021, General Circular No. 02/2022 dated 5th May, 2022 and General Circular No. 10/2022 dated 28th December, 2022 as issued by the Ministry of Corporate Affairs to be held at the Registered office of the Company at 3rd Floor, 7/6, August Kranti Marg, Siri Fort Institutional Area, New Delhi – 110049 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company for the financial year ended 31st March, 2023, together with the Directors' and Auditors Report thereon and in this regard to pass following resolution with or without modification(s) as an Ordinary Resolution:

“RESOLVED THAT the audited annual financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

SPECIAL BUSINESS:

2. **Appointment of Ms. Anjali Bansal as an Independent Director of the Company.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT as per the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 150, 152, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory

modification(s) or re-enactment(s) thereof for the time being in force), Ms. Anjali Bansal (DIN: 00207746), who was appointed as an Additional Director in the category of Independent Director (Non-Executive) and who holds office upto the date of 2nd Annual General Meeting, in respect of whom the Company has received a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director (Non- Executive) of the Company not liable to retire by rotation, to hold office as an Independent Director of the Company from January 01, 2023 till December 31, 2025.

RESOLVED FURTHER THAT Managing Director of the Company and Company Secretary of the Company be and is hereby authorised to sign and submit necessary e-forms and other papers and documents with the office of the Registrar of Companies through the web portal of Ministry of Corporate Affairs and to do such acts, things, matters and deeds that may be required in order to give effect to this resolution.”

3. Appointment of Mr. Nitin Chugh as a Director of the Company (SBI Nominee Director).

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT as per the recommendation of Nomination and Remuneration Committee and in accordance with the provisions of Sections 152, 161 read with other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Nitin Chugh (DIN: 01884659), who was appointed as an additional director on January 02, 2023 in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of 2nd Annual General Meeting, be and is hereby appointed as a Director (SBI Nominee Director) of the Company.

RESOLVED FURTHER THAT the term of Mr. Nitin Chugh as the director shall be 2 years from the date of his appointment as an Additional Director i.e. upto January 01, 2025.

RESOLVED FURTHER THAT Managing Director of the Company and Company Secretary of the Company be and is hereby authorised to sign and submit necessary e-forms and other papers and documents with the office of

the Registrar of Companies through the web portal of Ministry of Corporate Affairs and to do such acts, things, matters and deeds that may be required in order to give effect to this resolution.”

4. Appointment of Mr. Sivasubramanian Ramann as a Director of the Company (SIDBI Nominee Director).

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT as per the recommendation of Nomination and Remuneration Committee and in accordance with the provisions of Sections 152, 161 read with other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Sivasubramanian Ramann (DIN: 07685657), who was appointed as an additional director on January 02, 2023 in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of 2nd Annual General Meeting, be and is hereby appointed as a Director (SIDBI Nominee Director) of the Company.

RESOLVED FURTHER THAT the term of Mr. Sivasubramanian Ramann as the director shall be 2 years from the date of his appointment as an Additional Director i.e. upto January 01, 2025.

RESOLVED FURTHER THAT Managing Director of the Company and Company Secretary of the Company be and is hereby authorised to sign and submit necessary e-forms and other papers and documents with the office of the Registrar of Companies through the web portal of Ministry of Corporate Affairs and to do such acts, things, matters and deeds that may be required in order to give effect to this resolution.”

5. Appointment of Mr. Vineet Mathur as a Director of the Company (Govt. Nominee Director - Joint Secretary, Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution).

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT as per the recommendation of Nomination and Remuneration Committee and in accordance with the provisions of Section 152, 161 read with other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Vineet Mathur (DIN: 09850810), Joint Secretary, Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, who was appointed as an additional director w.e.f. January 13, 2023 in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this meeting, be and is hereby appointed as a Director (Govt. Nominee Director) of the Company.

RESOLVED FURTHER THAT Managing Director of the Company and Company Secretary of the Company be and is hereby authorised to sign and submit necessary e-forms and other papers and documents with the office of the Registrar of Companies through the web portal of Ministry of Corporate Affairs and to do such acts, things, matters and deeds that may be required in order to give effect to this resolution.”

6. Appointment of Mr. Sanjiv as a Director of the Company (Govt. Nominee Director - Joint Secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry).

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT as per the recommendation of Nomination and Remuneration Committee and in accordance with the provisions of Section 152, 161 read with other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Sanjiv (DIN - 10178893), Joint Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, who was appointed as an additional director on May 31, 2023 in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of 2nd Annual General Meeting, be and is hereby appointed as a Director (Govt. Nominee Director) of the Company.

RESOLVED FURTHER THAT Managing Director of the Company and Company Secretary of the Company be and is hereby authorised to sign and submit necessary e-forms and other papers and documents with the office of the Registrar of Companies through the web portal of Ministry of Corporate Affairs and to do such acts, things, matters and deeds that may be required in order to give effect to this resolution.”

7. Increase in Authorised Share Capital of the Company.

To consider and if thought fit to pass with or without modifications the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 61(1)(a), 64 and all other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules framed there under and in accordance with the applicable provisions of the Articles of Association of the Company and consequent upon receipt of the approval of Central Government (delegated power to Registrar of Companies), the consent of Members of the Company be and is hereby accorded for increase in the Authorized Share Capital of the Company from Rs. 500,00,00,000/- (Five Hundred Crores) divided into 5,00,00,000 (Five crores) equity shares of Rs. 100/- (One Hundred) each to 15,00,00,00,000/- (One Thousand and Five Hundred Crores) divided into 15,00,00,000 (Fifteen crores) equity shares of Rs. 100/- (One Hundred) each by the creation of additional 10,00,00,000/- (Ten Crores) equity shares of Rs. 100/- (One Hundred) each.

RESOLVED FURTHER THAT Managing Director and/or Company Secretary of the Company be and is hereby jointly and / or severally authorized to do all such acts, deeds, things and matters and to sign such other documents and file such forms as may be necessary and expedient to give effect to the aforesaid resolution.”

8. Alteration of Capital Clause of Memorandum of Association.

To consider and if thought fit to pass with or without modifications the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 13 read with 61 and 64 and other applicable provisions of the Companies Act, 2013, and consequent upon receipt of the approval of the Central Government (delegated power to Registrar of Companies), the consent of Members of the Company be and is hereby accorded to alter the capital clause of Memorandum of

Association of the Company by deleting the existing Clause VII (except sub clause 1 to 4) and substituting the same by the following clause:

“VII. The Authorized Share Capital of the Company is Rs. 15,00,00,00,000 (Rupees One Thousand and Five Hundred Crores) divided into 15,00,00,00,000 (Fifteen crores) equity shares of Rs. 100/- (Rupees One Hundred) each.”

RESOLVED FURTHER THAT any of the Directors and Company Secretary of the Company, be and is hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolution, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard.”

REGISTERED OFFICE: 3rd Floor, 7/6, Siri Fort Institutional Area, August Kranti Marg New Delhi DL - 110049 DATE: September 14, 2023 PLACE: New Delhi	BY ORDER OF THE BOARD FOR OPEN NETWORK FOR DIGITAL COMMERCE Sd/- Tushar Hassija Company Secretary M.NO.: A33936
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NOTES:

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 (“the Act”) is annexed to the Notice.
2. The Ministry of Corporate Affairs (‘MCA’) has vide its General Circular dated 5th May 2020 read with General Circulars dated 8th April 2020, dated 13th April 2020, dated 13th January, 2021, dated 5th May, 2022 & dated 28th December, 2022 (collectively referred to as ‘MCA Circulars’) permitted the holding of the Annual General Meeting (‘AGM’ 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 proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM

3. In light of the MCA Circulars, the notice convening the 2nd AGM of the Company alongwith the Annual Report for the financial year ended March 31, 2023 consisting of Board's Report, Auditors' Report, Financial Statements and other documents required to be attached therewith (collectively referred to as Notice) have been sent through electronic means on the e-mail addresses registered with the Company and no physical copy of the Notice has been sent by the Company to any member.
4. In terms of the requirements of the General Circular No. 14/2020, the designated email IDs of the Company shall be tushar.hassija@ondc.org and saransh@ondc.org. The Members shall convey their vote, when a poll is required to be taken during the meeting on any resolution, at such designated email address, in case a demand for poll is made by the Members. Also, the members, can contact for help at Mob No. 8975292381 (Saransh Agrawal) in case of any assistance needed in utilizing the electronic means before or during the meeting.
5. Corporate members are requested to send a duly certified true copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
6. The soft copy of registers as required to be maintained in accordance with the provisions of the Companies Act, 2013, will be made available for e-inspection at the request of the members at the General Meeting.
7. An invitation to join the meeting via videoconference shall be sent separately to all the shareholders and their representatives on their e-mail addresses registered with the Company.
8. 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.
9. The facility for joining the meeting shall be kept open at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
10. Attendance of the members attending through video conferencing shall be counted for the purpose of reckoning quorum under section 103 of the Companies Act, 2013.

11. 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 tushar.hassija@ondc.org or saransh@ondc.org from their email addresses registered with the Company.
12. 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 tushar.hassija@ondc.org or saransh@ondc.org
13. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
14. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a member of the company. Since the AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. The Proxy Form as well as the Attendance Slip and the Route Map of the Registered Office are therefore, not annexed to this Notice.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No. 2. Appointment of Ms. Anjali Bansal as an Independent Director of the Company.

As per provisions of Section 149, 150, 152, 161 and Schedule IV of the Act read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) made thereof for the time being in force), the Board of Directors had approved the appointment of Ms. Anjali Bansal, (DIN: 00207746), as an Additional Director (Independent Director) of the Company w.e.f. 01.01.2023 and who holds office till the ensuing Annual General Meeting.

Brief Profile of Ms. Anjali Bansal is as below:

Ms. Anjali Bansal is the founder of Avaana Capital, which manages Avaana Capital and Sustainability Fund, investing in technology and innovation-led start-ups who are catalysing climate action and sustainability and delivering exponential returns. She has invested in and mentored various successful startups including Nykaa, Delhivery, UrbanClap, Darwinbox, Coverstack, Farmart, and Lenskart.

She has previously served as President of Bombay Chamber of Commerce and Industry, and serves on the CII National Committee on Corporate Governance. As an active contributor to the dialogue on corporate governance and diversity, Ms. Anjali previously co-founded and chaired the FICCI Center for Corporate Governance program for Women on Corporate Boards. She is a charter member of TIE and a member of the Young Presidents Organization.

Ms. Anjali Bansal serves as an independent non-executive director on leading boards including Piramal Enterprises and Tata Power. Previously, she was non-executive chairperson of Dena Bank, appointed by Govt of India to drive the resolution of the stressed bank leading to the first ever 3-way merger of three large public sector banks-Dena, Bank of Baroda, and Vijaya Bank. She was previously global partner and managing director with TPG Growth PE, Spencer Stuart India Founder CEO, and strategy consultant with McKinsey and Co. in New York and India. She started her career as an engineer. She has previously chaired the India board of Women's World Banking and was on the Advisory Board of the Columbia University Global Centers.

Ms. Anjali Bansal completed her graduation in Computer Engineering from Gujarat University. After a brief stint at Indian Space Research Organization (ISRO), following her tenure at ISRO, Ms. Anjali completed her post-graduation, with distinction, in International Affairs from Columbia University, where she majored in International Finance and Business.

Ms. Anjali Bansal has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties as an Independent Director of the Company. Ms. Anjali Bansal has also confirmed that she is not debarred from holding the office of a director by virtue of any Order passed by any such authority. Ms. Bansal has further confirmed that she is in compliance with the Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

The Company has received from Ms. Anjali Bansal (i) intimation in Form DIR- 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013, and (ii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Ms. Anjali Bansal is a person of integrity and fulfils the conditions specified under the Act read with Rules made thereunder for her appointment as an Independent Director of the Company and is Independent of the Management. Ms. Anjali Bansal would bring with her immense experience to the Company in the areas of Technology and Innovation, Global Business & Strategy, Finance, Corporate Governance, Leadership and Personal Values.

Given her expertise, knowledge and experience, the Board considers that the association of Ms. Anjali Bansal would be of immense benefit to the Company and it is desirable to avail the services of Ms. Anjali Bansal as an Independent Director. Accordingly, the Nomination and Remuneration Committee of the Board and Board had recommended the appointment of Ms. Anjali Bansal as an Independent Director not liable to retire by rotation and shall hold office for the period of not exceeding 3 years w.e.f. January 01, 2023 as may be decided by the shareholders of the company and recommends the Ordinary resolution as set out in the accompanying Notice for approval of the Members.

A copy of the letter of appointment of Ms. Anjali Bansal as an Independent Director setting out the terms and conditions shall be available for inspection at the registered office of the Company during business hours.

As stipulated under Secretarial Standard-2, brief profile of Ms. Anjali Bansal, including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A.

Table A

Name of the Director	Anjali Bansal
Director's Identification Number	00207746
Date of Birth	25/02/1971
Age	52 Years
Qualification	Computer Engineering from Gujarat University and post-graduation, with distinction, in International Affairs from Columbia University
Experience (including expertise in specific functional area)/Brief Resume	25+ Years
Terms and conditions of appointment along with details of remuneration sought to be paid	Appointment as Non-Executive Independent Director. No remuneration is being paid.
Remuneration last drawn	NIL
Date of appointment on Board	01/01/2023
No. of Shares held	Nil
Relationship with other directors and Key managerial Personnel	NA
No. of Board Meetings attended in 2022-23	1
No. of companies in which she holds directorship including ONDC	7
Membership / Chairmanship of Committees in other Companies including ONDC	1. Member of Finance and Audit Committee & Member of Nomination and Remuneration Committee of ONDC 2. Other Companies: Member of Audit Committee and Stakeholders Relationship

	<p>Committee of The Tata Power Company Limited.</p> <p>Member of Audit Committee of The Tata Power Renewable Energy Limited.</p> <p>Chairperson of Nomination and Remuneration Committee of The Tata Power Renewable Energy Limited.</p> <p>Member of Nomination and Remuneration Committees of Voltas Limited, Nestle India Limited and Piramal Enterprises Limited</p> <p>Member of CSR Committee of Voltas Limited and Nestle India Limited Chairperson of CSR Committee of The Tata Power Company Limited</p> <p>Member of Risk Management Committee of Nestle India Ltd. Chairperson of Risk Management Committee of The Tata Power Renewable Energy Limited.</p> <p>Member of Safety – Health – Environment Committee, Investment Committee and Committee of Board of Voltas Limited.</p>
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Save and except Ms. Anjali Bansal, none of the other Directors, Key managerial personnel of the company or their relatives or any of others officials of the company as contemplated in the provisions of the section 102 of the Companies Act, 2013 is, in any way financially or otherwise, concerned or interested in the resolution.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

Item No. 3. Appointment of Mr. Nitin Chugh as a Director of the Company.

As per provisions of Section 161 of the Companies Act, 2013 (the “Act”), and other applicable provisions (including any modification or re-enactment thereof), if any, of the Act, read with the rules made thereunder, the Board of Directors had approved the appointment of Mr. Nitin Chugh, (DIN: 01884659), as an Additional Director (SBI Nominee Director) of the Company w.e.f. 02.01.2023 and who holds office till the ensuing Annual General Meeting.

Brief Profile of Mr. Nitin Chugh is as below:

Mr. Nitin Chugh is a career banker with an overall experience of nearly 29 years. After completing his B. Tech in Electrical Engineering from NIT, Kurukshetra in 1993, he spent his early professional career with HCL Limited and Modi Xerox before joining Standard Chartered Bank in 1998 in consumer banking. Subsequently he worked with HDFC Bank for over 18 years from 2001 to mid-2019, where he managed several leadership roles in retail banking. His last role was Group Head for Digital Banking where he oversaw the digital transformation of HDFC Bank from 2013 to 2019.

He is an accomplished industry leader and well regarded in digital banking. He has been in several important industry level committees.

In 2019, Shri Nitin Chugh joined Ujjivan Small Finance Bank and took over as the MD & CEO from December 2019. He led the bank for 22 months during which the bank’s performance across all financial and non-financial metrics improved significantly. He was recognised as one amongst India’s top 50 CEOs during the time of the Covid crisis, by Great Place to Work Institute, in 2021. Ujjivan took steady strides in the areas of digital and technology during his term and came to be recognised widely in the banking Industry.

Apart from B. Tech in Electrical Engineering, he is also a postgraduate in management.

The Company has received from Mr. Nitin Chugh (i) intimation in Form DIR- 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013.

Given his expertise, knowledge and experience, the Nomination and Remuneration Committee and the Board considers that the association of Mr.

Nitin Chugh would be of immense benefit to the Company and it is desirable to avail the services of Mr. Nitin Chugh as a Nominee Director. Accordingly, the Board considers the appointment of Mr. Nitin Chugh as a Nominee Director not liable to retire by rotation and shall hold office for the period of 2 years from the date of his appointment as an Additional Director of the company i.e. w.e.f. January 02, 2023 and recommends the Ordinary resolution as set out in the accompanying Notice for approval of the Members.

As stipulated under Secretarial Standard-2, brief profile of Mr. Nitin Chugh, including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table B.

Table B

Name of the Director	Nitin Chugh
Director's Identification Number	01884659
Date of Birth	29/08/1971
Age	52Years
Qualification	B. Tech in Electrical Engineering, Postgraduate in Management.
Experience (including expertise in specific functional area)/Brief Resume	29 + Years
Terms and conditions of appointment along with details of remuneration sought to be paid	Appointment as a Shareholder Nominee Director. No remuneration is being paid.
Remuneration last drawn	NIL
Date of appointment on Board	02/01/2023
No. of Shares held	Nil
Relationship with other directors and Key managerial Personnel	NA
No. of Board Meetings attended in 2022-23	1
No. of companies in which he holds directorship including ONDC	2
Membership / Chairmanship of Committees in other Companies including ONDC	1. Member of Risk Management Committee of ONDC 2. Other Companies: Member of Audit Committee, Business Strategy Committee, NRC & HR Committee,

	Risk Management Committee, CSR Committee of SBI Payment Services Private Limited
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Save and except Mr. Nitin Chugh, none of the other Directors, Key managerial personnel of the company or their relatives or any of others officials of the company as contemplated in the provisions of the section 102 of the Companies Act, 2013 is, in any way financially or otherwise, concerned or interested in the resolution.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

Item No. 4. Appointment of Mr. Sivasubramanian Ramann as a Director of the Company.

As per provisions of Section 161 of the Companies Act, 2013 (the “Act”), and other applicable provisions (including any modification or re-enactment thereof), if any, of the Act, read with the rules made thereunder, the Board of Directors had approved the appointment of Mr. Sivasubramanian Ramann, (DIN: 07685657), as an Additional Director (SIDBI Nominee Director) of the Company 02.01.2023, who holds office till the ensuing Annual General Meeting.

Brief Profile of Mr. Sivasubramanian Ramann is as below:

Mr. S. Ramann, belongs to 1991 batch of Indian Audit & Accounts Service (IA & AS). He joined as Chairman & Managing Director, Small Industries Development Bank of India (SIDBI) from 19th April 2021. Before joining SIDBI, he was MD & CEO of National E-Governance Services Limited (NeSL) from December 2016. Prior to joining NeSL, Mr. Ramann was the Principal Accountant General (Audit), Jharkhand, Ranchi during 2015-2016. He worked with SEBI as CGM and later Executive Director between 2007 & 2013.

He held various positions in the offices under the C&AG of India in various States and also worked as Executive Secretary to the C&AG of India. He worked as First Secretary, at Indian High Commission, London for auditing the accounts of various Indian Embassies in Europe.

He is BA (Hons) Economics from St Stephens College and MBA from FMS, Delhi University. He has done M. Sc. in Regulations from London School of Economics

and Certified Internal Auditor from IIA Florida. He completed LLB from Mumbai University and Post Graduate Diploma in Securities Law.

He has in-depth and immense knowledge in the field of Audit, Accounts, Securities Market, Capital Market & Finance. Given his expertise, knowledge and experience, the Nomination and Remuneration Committee of the Board considers that the association of Mr. S. Ramann would be of immense benefit to the Company and it is desirable to avail the services of Mr. S. Ramann as a Nominee Director.

The Company has received from Mr. S. Ramann (i) intimation in Form DIR- 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013.

Accordingly, the Board considers the appointment of Mr. S. Ramann as a Nominee Director not liable to retire by rotation and shall hold office for the period of 2 years from the date of his appointment as an Additional Director of the company i.e. w.e.f. January 02, 2023 and recommends the Ordinary resolution as set out in the accompanying Notice for approval of the Members.

As stipulated under Secretarial Standard-2, brief profile of Mr. S. Ramann, including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table C.

Table C

Name of the Director	Sivasubramanian Ramann
Director's Identification Number	07685657
Date of Birth	25/02/1966
Age	57 Years
Qualification	Mr. S. Ramann is BA (Hons) Economics from St Stephens College and MBA from FMS, Delhi University. He has done M. Sc. in Regulations from London School of Economics and Certified Internal Auditor from IIA Florida. He completed LLB from Mumbai University and Post Graduate Diploma in Securities Law.

Experience (including expertise in specific functional area)/Brief Resume	30+ Years
Terms and conditions of appointment along with details of remuneration sought to be paid	Appointment as Nominee Director. No remuneration is being paid.
Remuneration last drawn	NIL
Date of appointment on Board	02/01/2023
No. of Shares held	Nil
Relationship with other directors and Key managerial Personnel	NA
No. of Board Meetings attended in 2022-23	1
No. of companies in which he holds directorship including ONDC	8
Membership / Chairmanship of Committees in other Companies	Chairperson of Network Expansion Committee of ONDC

Save and except Mr. S. Ramann, none of the other Directors, Key managerial personnel of the company or their relatives or any of others officials of the company as contemplated in the provisions of the section 102 of the Companies Act, 2013 is, in any way financially or otherwise, concerned or interested in the resolution.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

Item No. 5. Appointment of Mr. Vineet Mathur as a Director of the Company.

As per provisions of Section 161 of the Companies Act, 2013 (the “Act”), and other applicable provisions (including any modification or re-enactment thereof), if any, of the Act, read with the rules made thereunder, the Board of Directors had approved the appointment of Mr. Vineet Mathur, (DIN: 09850810), w.e.f. 13.01.2023 as an Additional Director (Govt. Nominee Director) of the Company, who holds office till the ensuing Annual General Meeting.

Brief Profile of Mr. Vineet Mathur is as below:

Mr. Vineet Mathur is a 1994 batch officer of India Postal Service. Currently he is serving as a Joint Secretary, Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution.

He has a vast and immense knowledge in the field of Finance, Consumer Affairs, General Administration Services etc. Given his expertise, knowledge and experience, the Board considers that the association of Mr. Mathur would be of immense benefit to the Company and it is desirable to avail the services of Mr. Mathur as a Nominee Director.

Education Qualification:

1.	Batch and Service	Indian Postal Service 1994 Batch (IAS Allied Service through CSE 93)
2.	Educational Qualification	<ul style="list-style-type: none"> i. Bachelor of Engineering (Electronics and Communications) Manipal Institute of Technology, Karnataka ii. Master of Business Administration (Finance and Marketing) R.A. Podar Institute of Management, Jaipur, Rajasthan. iii. Master's Certificate in Computer Software and Object Oriented Programming, IIT Kharagpur iv. Master of Public Affairs and Leadership Hubert Horation Humphrey Fellowship, University of Minnesota, USA. v. National Institute of Bank Management Certified Vigilance and Bank Fraud Expert.

The Company has received from Mr. Mathur (i) intimation in Form DIR- 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013.

Accordingly, the Nomination and Remuneration Committee and the Board considers the appointment of Mr. Mathur as a Nominee Director of the company and recommends the Ordinary resolution as set out in the accompanying Notice for approval of the Members.

As stipulated under Secretarial Standard-2, brief profile of Mr. Mathur, including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table D.

Table D

Name of the Director	Vineet Mathur
Director's Identification Number	09850810
Date of Birth	18/12/1968
Age	55 Years
Qualification	<p>Bachelor of Engineering (Electronics and Communications) Manipal Institute of Technology, Karnataka</p> <p>Master of Business Administration (Finance and Marketing) R.A. Podar Institute of Management, Jaipur, Rajasthan.</p> <p>Master's Certificate in Computer Software and Object Oriented Programming, IIT Kharagpur</p> <p>Master of Public Affairs and Leadership Hubert Horation Humphrey Fellowship, University of Minnesota, USA.</p> <p>National Institute of Bank Management Certified Vigilance and Bank Fraud Expert.</p>
Experience (including expertise in specific functional area)/Brief Resume	30+ Years
Terms and conditions of appointment along with details of remuneration sought to be paid	Appointment as Nominee Director. No remuneration is being paid.
Remuneration last drawn	NIL
Date of appointment on Board	13/01/2023
No. of Shares held	Nil
Relationship with other directors and Key managerial Personnel	NA
No. of Board Meetings attended in 2022-23	1

No. of companies in which he holds directorship including ONDC	1
Membership / Chairmanship of Committees in other Companies	Member of Network Expansion Committee of ONDC

Save and except Mr. Mathur, none of the other Directors, Key managerial personnel of the company or their relatives or any of others officials of the company as contemplated in the provisions of the section 102 of the Companies Act, 2013 is, in any way financially or otherwise, concerned or interested in the resolution.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

Item No. 6. Appointment of Mr. Sanjiv as a Director of the Company.

As per provisions of Section 161 of the Companies Act, 2013 (the “Act”), and other applicable provisions (including any modification or re-enactment thereof), if any, of the Act, read with the rules made thereunder, the Board of Directors had approved the appointment of Mr. Sanjiv, (DIN: 10178893), as an Additional Director (Govt. Nominee Director) of the Company w.e.f. May 31, 2023, and who holds office till the ensuing Annual General Meeting.

Brief Profile of Mr. Sanjiv is as below:

Mr. Sanjiv is currently serving as a Joint Secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.

Mr. Sanjiv has also served as Additional Director General of Income Tax, Delhi from November, 2020 to January, 2023, He was also appointed as Director General of Government of Rajasthan for the period of 5 years (Aug, 2015 – Aug, 2020), Before which, he held the position as Additional Commissioner of Income Tax Department for a long-time span of around 22 years. Mr. Sanjiv also got recently promoted as Principal Commissioner of Income Tax.

He is Master of Philosophy (M.Phil.) from Delhi School of Economics and also holds a Bachelor Degree from Kirori Mal College, University of Delhi.

He has wide and enormous knowledge in the field of Taxation, Accounts, Commerce & Finance. Given his expertise, knowledge and experience, the Board considers that the association of Mr. Sanjiv would be of immense benefit to the

Company and it is desirable to avail the services of Mr. Sanjiv as a Nominee Director.

The Company has received from Mr. Sanjiv (i) intimation in Form DIR- 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013.

Accordingly, the Nomination and Remuneration Committee and Board considers the appointment of Mr. Sanjiv as a Nominee Director of the company and recommends the Ordinary resolution as set out in the accompanying Notice for approval of the Members.

As stipulated under Secretarial Standard-2, brief profile of Mr. Sanjiv, including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table E.

Table E

Name of the Director	Sanjiv
Director's Identification Number	10178893
Date of Birth	05/07/1969
Age	54 Years
Qualification	Mr. Sanjiv is a Master of Philosophy (M.Phil.) from Delhi School of Economics and also holds a Bachelor Degree from Kirori Mal College, University of Delhi
Experience (including expertise in specific functional area)/Brief Resume	30+ Years
Terms and conditions of appointment along with details of remuneration sought to be paid	Appointment as Nominee Director. No remuneration is being paid.
Remuneration last drawn	NIL
Date of appointment on Board	31/05/2023
No. of Shares held	Nil
Relationship with other directors and Key managerial Personnel	NA
No. of Board Meetings attended in 2022-23	NA

No. of companies in which he holds directorship including ONDC	1
Membership / Chairmanship of Committees in other Companies	Member of Finance & Audit Committee of ONDC

Save and except Mr. Sanjiv, none of the other Directors, Key managerial personnel of the company or their relatives or any of others officials of the company as contemplated in the provisions of the section 102 of the Companies Act, 2013 is, in any way financially or otherwise, concerned or interested in the resolution.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

Item No. 7 & 8: Increase in Authorised Share Capital and Alteration of Capital Clause of Memorandum of Association.

The present Authorized Share Capital of the Company is Rs. 500,00,00,000/- (Five Hundred Crores) divided into 5,00,00,000 (Five crores) equity shares of Rs. 100/- (One Hundred) each.

ONDC is planning to raise additional funds for its next phase of aggressive expansion & development to enable faster adoption, rapid scale-up, enhanced trust on the network, and provide capacity building for undigitised sellers.

Since the current Authorised Share Capital of Rs. 500 Cr. was a limitation with respect to raising the necessary funds, it is proposed to enhance the authorized capital of the company.

Accordingly, it is proposed to increase the Authorized Share Capital of the Company from existing Rs. 500,00,00,000/- (Five Hundred Crores) to increased amount of Rs. 15,00,00,00,000/- (One Thousand and Five Hundred Crores) by the creation of additional 10,00,00,000/- (Ten Crores) equity shares of Rs. 100/- (One Hundred) each. The proposed increase in Authorised Share Capital of the Company will require alterations of relevant provisions / clause of Memorandum of Association of the Company.

If this increase is approved by the Members of the Company, the Authorized Capital of the Company would be Rs. 15,00,00,00,000/- (One Thousand and Five Hundred Crores) divided into 15,00,00,000 (Fifteen crores) equity shares of Rs. 100/- (Rupees One Hundred) each.

The Board of Directors had approved the Increase in Authorised Share Capital of the Company and Alteration of Capital Clause of Memorandum of Association of the Company on 02nd August, 2023. The Central Government (delegated power to Registrar of Companies) had also approved the alteration of the capital clause of the Memorandum of Association.

Pursuant to the provisions of Section 61 read with Section 13 of the Companies Act, 2013, the Company needs to obtain approval of members of the Company for increase in Authorised Share Capital and alteration of capital clauses of Memorandum of Association by passing requisite resolutions.

The Directors therefore, recommend the Ordinary Resolutions for approval of the shareholders.

A copy of the Memorandum of Association of the Company, is available for inspection at the Registered Office of the Company on any working day during the working hours.

None of the Directors, 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 resolutions.

<p>REGISTERED OFFICE: 3rd Floor, 7/6, Siri Fort Institutional Area, August Kranti Marg, New Delhi - 110049</p> <p>DATE: September 14, 2023. PLACE: New Delhi</p>	<p>BY ORDER OF THE BOARD FOR OPEN NETWORK FOR DIGITAL COMMERCE</p> <p>Sd/- Tushar Hassija Company Secretary M.NO.: A33936</p>
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BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present Second Annual Report of the Company together with the Audited Annual Financial Statements of the Company for the financial year ended March 31, 2023.

FINANCIAL SUMMARY

The financial performance of the Company for the financial year ended is summarized below:

Particulars	Amount in INR lacs	
	Financial Year Ended 31/03/2023	Financial Year Ended 31/03/2022
Revenue from Operations	--	--
Other Income	640.91	10.07
Total Income	640.91	10.07
Less: Total Expenditure	5308.57	317.62
Surplus/(Deficit) before Depreciation & Tax	(4667.66)	(307.55)
Less: Depreciation	--	--
Net Surplus/(Deficit)	(4667.66)	(307.55)

BUSINESS OVERVIEW

ONDC, an initiative of Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry was established with the vision of revolutionising the way we engage in e-commerce, creating an open, democratised and unbundled network that empowers businesses including small & medium enterprises and at the same time enables consumer choices. Since inception, ONDC has made significant progress in building a robust network and fostering an ecosystem that has gained momentum and recognition in the industry.

Today, major product categories are live on ONDC, including Groceries & FMCG, Online Food Delivery, Fashion and apparel, Beauty and personal Care Products, Electronics and appliances, Home & Kitchen Products, Agri B2C Products, Health

and Wellness OTC Products, as well as expanding to B2B transactions. In services, Mobility is Live on ONDC, with pilots of Open Mobility in Bengaluru, Mysore and Kochi.

We are also in the process of adding new domains like export and financial services. As the protocol evolves to newer versions categories like Toys & Games, Books & Stationery, Baby Care, Garden & Outdoor Items and Office Stationery & Supplies are also in the pipeline.

More than 80 Network Participants are live on the network as of today, while 10,000+ have expressed interest in joining the network and are in various stages of onboarding the network. This growth has led to a vibrant community that fosters collaboration and innovation.

The Network has also expanded the geographical coverage to over 400+ cities with significant daily order volume coming for both retail and mobility categories.

At the same time, ONDC was setup with a vision of not just enabling those who are already digitally adept, but also fundamentally growing the digital commerce market by making access and participation.

Towards this, we have been undertaking multiple initiatives, such as ONDC Academy which will help the participants in the network educate all participants about the network, providing guidance and best practices for a successful e-commerce journey with fewer setbacks. We are also in the process of releasing a Digital Readiness Certification for sellers with the help of QCI to enable non-digitised sellers to participate in eCommerce.

Collaboration with ecosystem partners like SIDBI for the SIDBI coupon program on ONDC to kickstart the social sector sellers has had a fruitful effect on the orders received by the sellers in the social sector category. NABARD has also come up with a similar program to aid various FPOs to jumpstart the e-commerce transaction on ONDC.

With the aid of DPIIT, we have also accomplished the appointment of Nodal Officers for ONDC from each of the 36 States/UTs and a state engagement plan for ONDC is in place. We are also working closely with various government entities to onboard their commercial entities and aid us in adoption of the ONDC vision across the country. We are working with the Ministry of Textile to onboard their e-commerce portal “e-shilpmart” and their various sellers on the ONDC network, CCIC is already online on the ONDC network as a seller. We are also working with the Ministry of Agriculture for onboarding FPOs and farmers and

bringing the “eNAM” portal on ONDC. We are also working with GeM and CSC to bring the GeM seller online to the ONDC network. Work with the Ministry of Tribal Affairs has also started to onboard TRIFED to the ONDC network.

ONDC's innovative approach to open networks in digital commerce has gained widespread recognition within the industry. We have forged strategic partnerships with key players in the digital commerce landscape, enabling us to expand our reach, enhance our offerings, and provide greater value to our users. We take pride in our vibrant and active community of users, developers, and merchants. Through regular developer meetups, hackathons, and community forums, we encourage collaboration, innovation, and knowledge-sharing, ensuring that the Open Network remains at the forefront of technological advancements. As a result, various Initiatives like Catalogue as a Service (CaaS), Reconciliation Service Provider (RSP), Issue Grievance Management (IGM) and Open Data framework are in the process of being implemented.

Furthermore, Google recently launched their ONDC Accelerator Program at the Google I/O Summit in Bengaluru. Google is providing easy-to-build tech tools and cloud credits for startups and companies to quickly build ONDC apps and integrate with the network. D&B has also signed an MoU with ONDC for giving their Dun's number to various MSME, this will especially help the sellers in exporting their products.

DIVIDEND

The Company being Section 8 Company, is not allowed to declare any dividend to its Members.

TRANSFER TO RESERVE

The Company has not transferred any amount to Reserves during the year.

TRANSFER OF AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years which are required to be transferred to Investor Education and Protection Fund (IEPF).

MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of the Financial Year and date of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no Loans, Guarantees or Investments made by the Company within the meaning of section 186 of the Companies Act, 2013 during the year under review and hence the disclosures under section 134(3)(g) of the Companies Act, 2013 are not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters or other designated persons which may have potential conflict of interest with the company at large required to be reported herein.

The particulars of contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 is attached herewith in Annexure I in Form No. AOC - 2.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business, from the incorporation of the Company till the date of this report.

DEPOSITS

Your Company has neither accepted / renewed any deposits from public during the year nor has any outstanding Deposits in terms of Section 73 of the Companies Act, 2013. Further there were no Deposits which are not in compliance of the requirements of Chapter V of the Act.

SHARE CAPITAL

As on 31st March, 2023, the Authorised Share Capital of the Company stood at INR 500,00,00,000/- (Rupees Five Hundred Crores Only) comprising of 5,00,00,000 (Five Crores) Equity Shares of INR 100/- (Rupees One Hundred only) each.

As on 31st March, 2023, Issued, Subscribed and Paid-up capital of the Company stood at INR 180,00,00,000/- (Rupees One Hundred and Eighty Crores Only) comprising of 1,80,00,000 (One Crore and Eighty Lakhs) Equity Shares of INR 100/- (Rupees One Hundred only) each.

During the year, the Company has increased its issued, subscribed and paid-up share capital from existing Rs. 1,57,50,00,000/- (One Hundred Fifty-Seven Crore & Fifty Lacs Only), comprising of 1,57,50,000 (One Crore Fifty-Seven Lacs and Fifty Thousand) Equity shares of Rs. 100/- each to Rs. 180,00,00,000/- (Rupees One Hundred and Eighty Crores Only) comprising of 1,80,00,000 (One Crore and Eighty Lakhs) Equity shares of Rs. 100/- each by way of preferential issue on private placement basis.

Post financial year 2022-23, the Company has proposed for increasing its authorized share capital from existing Rs. 500,00,00,000/- (Five Hundred Crores Only) to Rs. 1500,00,00,000/- (One Thousand Five Hundred Crores Only) by creation of additional 10,00,00,000 (Ten Crores) equity shares of Rs. 100/- (Rupees hundred) each, subject to approval of members in the ensuing annual general meeting.

INTERNAL FINANCIAL CONTROLS

The Company has adequate systems of internal financial controls to safeguard and protect the Company from loss, unauthorized use or disposition of its assets. All the transactions are properly authorised, recorded and reported to the Management. The Company is following the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal financial controls have been embedded in the business processes. The statutory auditors have also expressed their opinion on the adequacy of internal financial controls on financial reporting in their audit report.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has in place a mechanism to identify, assess, evaluate, monitor and mitigate various risks to key business objectives. Major risks as identified by the management are systematically addressed through mitigating actions on a continuing basis.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Members of the Board of Directors of the Company are eminent persons of proven competence and integrity. Besides experience, strong financial acumen, strategic business dealing and leadership skills, they are committed to the growth and development of the Company. They devote adequate time to meetings and preparation and have strong operational oversight by way of regular presentations at Board Meetings.

During the year under review, the Board of Directors have considered the nominations and approved the following appointments in the directorship of the company in terms of Article XIV of the Articles of Association of the Company:

CHANGES IN THE FIRST DIRECTORS OF THE COMPANY

- Mr. Adil Zainulbhai, Representative of Quality Council India (QCI) & Mr. Suresh Sethi, Representative of Protean eGov Technologies Ltd (Formerly NSDL e-Governance Infrastructure Ltd) were the first directors of the company.
- However, Mr. Zainulbhai, ex-Chairman of QCI vacated the office of Chairmanship of QCI, consequent to which his office ceased as a QCI Representative Director w.e.f. October 20, 2022.
- In order to fill the vacant position of QCI Representative Director, QCI had nominated the candidature of Mr. Jaxay Shah, Chairman of QCI on the Board of the Company. Hence, the Board appointed Mr. Jaxay Shah as a QCI Representative Director of the Company w.e.f. December 01, 2022.

APPOINTMENT OF INDEPENDENT DIRECTORS IN TERMS OF ARTICLE XIV(c)(vi)

- Considering Mr. Zainulbhai's guidance and involvement since the incorporation of ONDC as a Founding Member's Representative, Member of Advisory Council; and his knowledge of various aspects relating to the Company's affairs; the Board is of the view that for smooth and efficient running of the business, continued services of Mr. Zainulbhai as a guiding

force be available to ONDC. Hence, the Board appointed Mr. Zainulbhai as an Independent Director of the Company w.e.f. November 10, 2022.

- Mr. Ritesh Tiwari was appointed as an Independent Director of the company w.e.f. August 08, 2022.
- Ms. Anjali Bansal was appointed as an additional director (Independent Director) of the Company w.e.f January 01, 2023.

The Company has also received declarations from the Independent Director(s) of the Company under Section 149 of the Act.

APPOINTMENT OF GOVERNMENT REPRESENTATIVES IN TERMS OF ARTICLE XIV(c)(v)

Pursuant to the provisions of Article XIV of the Articles of Association of the Company:

- Mr. Anil Agrawal who was originally appointed as DPIIT nominee on the Board w.e.f. October 03, 2022 was transferred from the position of AS, DPIIT w.e.f. February 08, 2023 to his parent cadre to avail the benefit of promotion in the cadre, and in view of the same, he ceased to be the Director of the Company with effect from February 08, 2023. Pursuant to his cessation, Mr. Sanjiv (Joint Secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India), as nominated by DPIIT, was appointed as an Additional Director of the company w.e.f. May 31, 2023 in category of Government Nominee.
- Mr. Ateesh Kumar Singh (Joint Secretary-AFI, MSME), was appointed as an Additional Director of the company w.e.f. October 18, 2022, in the category of Government Nominee.
- Mr. Vineet Mathur (Joint Secretary, Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution) was appointed as an Additional Director of the company w.e.f. January 13, 2023 in category of Government Nominee.

APPOINTMENT OF OTHER SHAREHOLDER REPRESENTATIVES IN TERMS OF ARTICLE XIV(c)(iv)

Pursuant to the provisions of Article XIV(c)(iv) of the Articles of Association of the Company.

NSE Investments Ltd, HDFC Bank Ltd, SBI and SIDBI had nominated the candidature of nominee directors to represent as shareholder's representatives on the board of the Company, pursuant to which:

- Mr. Ashishkumar Chauhan, MD & CEO of NSE was appointed as shareholder's nominee director w.e.f. December 01, 2022.
- Mr. Ashish Parthasarthy, Treasurer-HDFC Bank was appointed as shareholder's nominee director w.e.f. December 01, 2022.
- Mr. Nitin Chugh, Deputy Managing Director and Head of Digital Banking and Transformation - SBI was appointed as an additional director (SBI Nominee Director) of the company w.e.f. January 02, 2023.
- Mr. Sivasubramanian Ramann, Chairman & Managing Director of SIDBI was appointed as an additional director (SIDBI Nominee Director) of the company w.e.f. January 02, 2023.

The Company has also appointed Mr. Tushar Hassija having Membership Number A33936, as a Whole-Time Company Secretary of the Company w.e.f. 17th August, 2022.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company had recommended the appointments of Ms. Anjali Bansal, Mr. Nitin Chugh, Mr. Sivasubramanian Ramann, Mr. Vineet Mathur, and Mr. Sanjiv as Directors of the Company, to the Members for their approval in the ensuing Annual General Meeting. Further, Ms. Anjali Bansal, Mr. Nitin Chugh, Mr. Sivasubramanian Ramann, Mr. Vineet Mathur, and Mr. Sanjiv are not disqualified from being appointed as Directors in terms of Section 164 of the Act and had given their consents, respectively.

As on 31st March, 2023, the Board of the Company consist of 13 directors as:

1. Mr. Jaxay Shah – Founding Member Director
2. Mr. Suresh Sethi – Founding Member Director
3. Mr. Ateesh Singh – Government Nominee Director
4. Mr. Vineet Mathur - Government Nominee Director
5. Mr. Ashishkumar Chauhan – Shareholder's Nominee Director
6. Mr. S Ramann – Shareholder's Nominee Director
7. Mr. Nitin Chugh – Shareholder's Nominee Director
8. Mr. Ashish Parthasarthy – Shareholder's Nominee Director
9. Mr. Adil Zainulbhai – Independent Director
10. Ms. Anjali Bansal – Independent Director

11. Mr. Arvind Gupta – Independent Director
12. Mr. Ritesh Tiwari – Independent Director
13. Mr. Thampy Koshy – Managing Director & CEO

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, Government and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to improve them by adopting best practices.

During the financial year under review, the Company had 4 (Four) Board meetings as on 14.05.2022, 08.08.2022, 18.10.2022 and 27.01.2023.

Sr. No.	Name of the Director(s)	Board of Meetings	
		No. of Meetings entitled	No. of Meetings attended
1	Mr. Arvind Gupta	4	4
2	Mr. Jaxay Shah	1	1
3	Mr. Ashishkumar Chauhan	1	1
4	Mr. Ritesh Ramkrishna Tiwari	3	1
5	Mr. Suresh Sethi	4	2
6	Mr. Adil Zainulbhai	4	4
7	Mr. Ateesh Kumar Singh	1	1
8	Mr. Anil Kumar Agrawal	2	1
9	Mr. Ashish Kadambi Parthasarthy	1	0
10	Mr. Thampy Koshy	4	4
11	Mr. Vineet Mathur	1	1
12	Mr. S Ramann	1	1
13	Ms. Anjali Bansal	1	1
14	Mr. Nitin Chugh	1	1

CONSTITUTION OF COMMITTEES

In its endeavor to achieve the highest standard of governance, the Board has constituted/reconstituted voluntarily Finance and Audit Committee, Nomination & Remuneration Committee, Risk Management Committee and Network Expansion Committee with specific terms of reference / scope to focus effectively on the terms of reference determined for them by the Board w.e.f. August 03, 2023. The Committees meet at regular intervals depending on the business requirement or in case of urgent matters have a liberty to take decisions through Circular Resolutions. The Company Secretary acts as the Secretary to all aforesaid Committees.

The Composition of Committees are as follows:

FINANCE AND AUDIT COMMITTEE		
Sr. No	Name	Category
1	Mr. Arvind Gupta	Chairperson (Independent Director)
2	Mr. Sanjiv	Member (Govt. Nominee Director)
3	Mr. Jaxay Shah	Member (Founding Member Director)
4	Ms. Anjali Bansal	Member (Independent Director)
5	Mr. Ritesh Tiwari	Member (Independent Director)

NOMINATION AND REMUNERATION COMMITTEE		
Sr. No	Name	Category
1	Mr. Adil Zainulbhai	Chairperson (Independent Director)
2	Mr. Ateesh Kumar Singh	Member (Govt. Nominee Director)
3	Mr. Suresh Sethi	Member (Founding Member Director)
4	Ms. Anjali Bansal	Member (Independent Director)
5	Mr. Ashish Parthasarathy	Member (Shareholder Director)

RISK MANAGEMENT COMMITTEE		
Sr. No.	Name	Category
1	Mr. Suresh Sethi	Chairperson (Founding Member Director)
2	Mr. Adil Zainulbhai	Member (Independent Director)
3	Mr. Ashishkumar Chauhan	Member (Shareholder Director)
4	Mr. Nitin Chugh	Member (Shareholder Director)

NETWORK EXPANSION COMMITTEE		
Sr. No	Name	Category
1	Mr. S Ramann	Chairperson (Shareholder Director)
2	Mr. Vineet Mathur	Member (Govt. Nominee Director)
3	Mr. Arvind Gupta	Member (Independent Director)
4	Mr. Suresh Sethi	Member (Founding Member Director)
5	Mr. Jaxay Shah	Member (Founding Member Director)
6	Mr. Kumar Rajagopalan	Non-Board Member (CEO-RAI)-Member

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement: —

- a. in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable Accounting Standards read with the requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the financial year ended on that date;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts of the Company for the financial year ended March 31, 2023 on a 'going concern' basis; and
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS

M/s Walker Chandiook & Co. LLP, Chartered Accountants (having FRN: 001076N/N500013) were the First Statutory Auditors of the Company. They were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on Wednesday, 21st December, 2022 to hold the office till the conclusion of the 06th Annual General Meeting of the Company to be held in the year 2027, at a remuneration approved by the Members and Board of Directors of the Company.

Pursuant to notified section of Companies (Amendment) Act, 2017, the requirement of ratification of appointment of members at every Annual General Meeting is dispensed with. Accordingly, M/s. Walker Chandiook & Co. LLP can continue their term up to 2026-27 without approval of the Members at every General Meeting.

COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, your Company has endeavoured to comply with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), to the extent applicable.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS

The Notes on Financial Statement referred to in the Auditors' Report are self-explanatory and do not call for further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark, or disclaimer.

ANNUAL RETURN

The Annual Return of the Company as on March 31, 2023 is available on the Company's website and can be accessed at <https://www.ondc.org/>.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relevant disclosures are given below:

(a) Conservation of Energy

The Company is not an energy intensive unit; hence alternate source of energy may not be feasible. However, regular efforts are made to conserve the energy. The Company evaluates the possibilities and various alternatives to reduce energy consumption. Further, use of low energy consuming LED lightings is being encouraged.

(b) Technology Absorption

The Company is conscious of implementation of latest technologies in key working areas. Technology is ever-changing and employees of the Company are made aware of the latest working techniques and technologies for optimum utilisation of available resources and to improve operational efficiency. The Company is not engaged in manufacturing activities, therefore, certain disclosures on technology absorption and conservation of energy etc. are not applicable. During the year, there has been no expenditure on Research and Development.

(c) Foreign Exchange Earnings and Outgo

During the year, there was no foreign exchange earnings, however there was foreign exchange outgo was Rs. 31,700/-.

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has formed Internal Complaints Committee for lodging the complaints and redressing their grievances, if any to comply with the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, there were no instances / complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

GENERAL

During the year under review:

- 1) The Company had not issued any equity shares with differential voting rights as to dividend or voting or otherwise.
- 2) The Company had not issued any shares (including sweat equity shares) to Director or employees of the Company under any scheme.
- 3) No significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

- 4) No invitation was made to the shareholders for buying back any of its shares.
- 5) The Company does not have any scheme of provisions of money for the purchase of its own shares by employees or by trustees for the benefits of the employees.
- 6) The disclosures relating to vigil mechanism are not applicable on the Company.
- 7) No instances of frauds reported by the Statutory Auditors of the Company to the Board.
- 8) The provisions of Section 135 relating to Corporate Social Responsibility are not applicable.
- 9) The Company is not required to maintain cost records under the provisions of sub-section (1) of section 148 of the Act.
- 10) There is no Corporate Insolvency Resolution Process application initiated / proceedings pending under the Insolvency and Bankruptcy Code, 2016.
- 11) There was no instance of one-time settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENTS

Your directors place on records their sincere thanks to bankers, business associates, employees, consultants, Department for Promotion of Industry and Internal Trade and various Government Authorities, Ministry of Commerce and Industry for the support extended to your Company's activities during the year under review. Your directors also acknowledge the Shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OPEN NETWORK FOR DIGITAL COMMERCE

Sd/-
Thampy Koshy
MD & CEO
DIN:09479938

Sd/-
Ritesh Tiwari
Director
DIN: 05349994

Date: 29/08/2023

Place: New Delhi

ANNEXURE I

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

- 1.Details of contracts or arrangements or transactions not at arm's length basis-
NA.
- 2.Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Protean eGov Technologies Limited. (Founding Member)
(b)	Nature of contracts / arrangements / transactions	Registry and Gateway Services
(c)	Duration of the contracts / arrangements/transactions	On going
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	<ul style="list-style-type: none"> • Developing necessary framework and tools to enhance the features and functionalities and continue operating the Gateway and Registry for ONDC • Provide necessary support for hand holding existing and new participants to transact on the Network and stay compliant with the requirements as stated in ONDC network policies • The billing will happen on the actual consumption of the time and machine resources.
(e)	Date(s) of approval by the Board	November 18, 2022
(f)	Amount paid as advances, if any:	Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OPEN NETWORK FOR DIGITAL COMMERCE

Sd/-
Thampy Koshy
MD & CEO
DIN:09479938

Sd/-
Ritesh Tiwari
Director
DIN: 05349994

Date: 29/08/2023
Place: New Delhi

Walker Chandiook & Co LLP

L 41, Connaught Circus,
Outer Circle,
New Delhi- 110 001
India

T +91 11 45002219

F +91 11 42787071

Independent Auditor's Report

To the Members of Open Network for Digital Commerce

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Open Network for Digital Commerce ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Income and Expenditure Account and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view, in conformity with the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its deficit and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Walker Chandiook & Co LLP

Independent Auditor's Report of even date to the members of Open Network for Digital Commerce on the financial statements for the year ended 31 March 2023 (Cont'd)

The Directors Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

Walker Chandniok & Co LLP

Independent Auditor's Report of even date to the members of Open Network for Digital Commerce on the financial statements for the year ended 31 March 2023 (Cont'd)

report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
12. This report does not include a statement on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order 2020 ('the Order'), issued by the Central Government of India in terms of section 143(11) of the Act, since in our opinion and according to the information and explanations given to us, the Order is not applicable.
13. As required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 143(3)(i) for reporting on the adequacy of internal financial controls with reference to financial statements and the operating effectiveness of such controls of the Company, are not applicable; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2023;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 20(a) to the financial statements, no funds have been advanced or loaned or

Walker Chandiok & Co LLP

Independent Auditor's Report of even date to the members of Open Network for Digital Commerce on the financial statements for the year ended 31 March 2023 (Cont'd)

- invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 20(b) to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. Since, the Company is registered under Section 8 of the Act as a company with charitable objects, it cannot declare any dividend and accordingly, reporting under Rule 11(f) is not applicable to the Company.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Nalin Jain
Partner
Membership No.: 503498

UDIN: 23503498BGRGDC1718

Place: Osaka, Japan
Date: 29 August 2023

Open Network For Digital Commerce**Balance Sheet as at 31 March 2023***(All amounts in ₹ lacs unless otherwise stated)*

Particulars	Note	As at 31 March 2023	As at 31 March 2022
EQUITY AND LIABILITIES			
Shareholders funds			
Equity share capital	3	18,000.00	15,750.00
Reserves and surplus	4	(4,975.21)	(307.55)
	(A)	13,024.79	15,442.45
Non-current liabilities			
Long-term provisions	5	57.40	-
Other long term liabilities	6	48.55	-
	(B)	105.95	-
Current liabilities			
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		4.12	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7	1,497.07	310.25
Other current liabilities	8	389.68	6.60
Short-term provisions	5	12.17	-
	(C)	1,903.04	316.85
TOTAL EQUITY AND LIABILITIES	(A+B+C)	15,033.78	15,759.30
ASSETS			
Non-current assets			
Property, plant and equipment	9	480.02	-
Long-term loans and advances	10	590.57	-
Other non-current assets	11	12,452.65	-
	(D)	13,523.24	-
Current assets			
Cash and bank balances	12	1,335.23	15,759.30
Short term loans and advances	10	175.31	-
	(E)	1,510.54	15,759.30
TOTAL ASSETS	(D+E)	15,033.78	15,759.30

The accompanying significant accounting policies and other explanatory information form an integral part of these financial statements.

This is the Balance sheet referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered accountants
Firm's Registration Number: 001076N/N500013

Sd/-
Nalin Jain
Partner
Membership No.: 503498
Place: Osaka, Japan
Date: August 29, 2023

For and on behalf of Board of Directors of
Open Network for Digital Commerce

Sd/-
Thampy Koshy
Managing Director and Chief Executive Officer
DIN: 09479938

Sd/-
Ritesh Tiwari
Director
DIN: 05349994

Sd/-
Tushar Hassija
Company Secretary
Membership No: A33936

Place: New Delhi
Date: August 29, 2023

Open Network For Digital Commerce
Income and Expenditure Account for the year ended 31 March 2023

(All amounts in ₹ lacs unless otherwise stated)

Particulars	Note	For the year ended 31 March 2023	For the period from 30 December 2021 to 31 March 2022
INCOME			
Other income	13	640.91	10.07
Total income	(A)	640.91	10.07
EXPENDITURE			
Employees benefits expense	14	1,486.02	14.04
Finance cost	15	9.12	-
Depreciation expense	9	30.43	-
Other expenses	16	3,783.00	303.58
Total expenditure	(B)	5,308.57	317.62
Deficit for the year/period	(A-B)	(4,667.66)	(307.55)

The accompanying significant accounting policies and other explanatory information form an integral part of these financial statements

This is the Income and Expenditure Account referred to in our report of even date.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Nalin Jain
Partner
Membership No. 503498
Place: Osaka, Japan
Date: August 29, 2023

For and on behalf of Board of Directors
Open Network for Digital Commerce

Sd/-
Thampy Koshy
Managing Director and Chief Executive Officer
DIN: 09479938

Sd/-
Ritesh Tiwari
Director
DIN: 05349994

Sd/-
Tushar Hassija
Company Secretary
Membership No: A33936

Place: New Delhi
Date: August 29, 2023

Open Network For Digital Commerce
Cash Flow Statement for the year ended 31 March 2023

(All amounts in ₹ lacs unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the period from 30 December 2021 to 31 March 2022
A Cash flow from operating activities		
Deficit for the year/period	(4,667.66)	(307.55)
Adjustments for:		
Depreciation expense	30.43	-
Finance costs	9.12	-
Interest income	(640.91)	(10.07)
Operating deficit before working capital changes	(5,269.02)	(317.62)
Changes in working capital:		
- trade payables	1,190.94	-
- other liabilities	465.97	316.85
- loans and other assets	(775.72)	-
Cash used in operations	(4,387.83)	(0.77)
Taxes paid	(48.57)	-
Net cash used in operating activities (A)	(4,436.40)	(0.77)
B Cash flow from investing activities		
Payments for purchase of property, plant and equipment	(475.22)	-
Investment in bank deposits	(13,000.00)	-
Interest received	215.45	10.07
Net cash (used in)/generated from investing activities (B)	(13,259.77)	10.07
C Cash flow from financing activities		
Proceeds from issue of equity shares	2,250.00	15,750.00
Finance cost paid	(9.12)	-
Net cash generated from financing activities (C)	2,240.88	15,750.00
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(15,455.29)	15,759.30
Cash and cash equivalents at the beginning of the year	15,759.30	-
Cash and cash equivalents at the end of the year (refer note 12)	304.01	15,759.30

The above cash flow statement has been prepared under the "Indirect Method" as set out in the AS 3, 'Cash Flow Statements'.

The accompanying significant accounting policies and other explanatory information form an integral part of these financial statements

This is the Cash Flow Statement referred to in our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of Board of Directors
Open Network for Digital Commerce

Sd/-
Nalin Jain
Partner
Membership No. 503498

Place: Osaka, Japan
Date: August 29, 2023

Sd/-
Thampy Koshy
Managing Director
DIN: 09479938

Place: New Delhi
Date: August 29, 2023

Sd/-
Ritesh Tiwari
Director
DIN: 05349994

Sd/-
Tushar Hassija
Company Secretary
Membership No: A33936

Open Network for Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

1. Corporate Information

Open Network for Digital Commerce (“the Company”) is a “not for profit” company registered under Section 8 of the Companies Act 2013 incorporated on 30 December 2021. The Company has been incorporated with the primary objective to democratize digital and electronic commerce, moving it from a platform-centric model to an open network.

This aims to create new opportunities, curb digital monopolies and by supporting micro, small and medium enterprises and small traders and help them get on online platforms.

Open Network for Digital Commerce (ONDC) is a network based on open protocol and will enable local commerce across segments, such as mobility, grocery, food order and delivery, among others, to be discovered and engaged by any network-enabled application.. The Corporate Identification Number (‘CIN’) of the Company is **U85300DL2021NPL391850**.

2. Basis of preparation

The financial statements are prepared under historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Accounts) Rules, 2021 (as amended). These financial statements have been prepared on a going concern basis and the accounting policies have been consistently applied by the Company.

The Company is a Small and Medium Sized Company (SMC) as defined in the general instructions in respect of Accounting Standards specified under Section 133 of the Act, read with Companies (Accounts) Rules, 2021 (as amended). Accordingly, the Company has complied with the Accounting Standards as applicable to a SMC. Pursuant to exemptions/ relaxations applicable to a SMC, Accounting Standard 17 – Segment Reporting is not applicable to the Company. Further, certain disclosure requirements in terms of Accounting Standard 15 (R) – Employee Benefits, Accounting Standard 19 – Leases, Accounting Standard 20 – Earnings per Share and Accounting Standard 29 – Provisions, Contingent Liabilities and Contingent Assets are also not applicable to the Company.

These financial statements are presented in Indian Rupees (₹), which is also the Company’s functional currency. All amounts have been rounded-off to the nearest lacs and two decimals thereof, unless otherwise indicated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “0” in the relevant notes in these financial statements.

3. Significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management’s knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

b) Property, plant and equipment

All the items of the property, plant and equipment are stated as per cost model i.e. cost of acquisition less accumulated depreciation and impairments, if any. All significant costs incidental to the acquisition of assets are capitalized.

Open Network for Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (Cont'd)

Recognition:

The costs including subsequent costs is recognised as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

All other expenses including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the year when such expenses are incurred.

An item of the property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of the property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Depreciation

Depreciation on the property, plant and equipment is provided using straight line method, computed on the basis of the guidance and useful life as mentioned below, on a pro-rata basis from the date the asset is ready for use.

Asset	Useful life (In years)
Computer	3 years
Leasehold Improvements	5 years
Office Equipment	5 years
Furniture and Fixtures	10 years

d) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Lease payments under an operating lease are recognized as an expense in the Statement of Profit and Loss on a straight-line method over the lease term.

e) Employee benefits

Salaries, bonuses and paid annual leave are accrued in the year in which the associated services are rendered by employees of the Company.

The Company has one post-employment benefit plan in operation viz. Gratuity.

The Company provides for gratuity, a defined benefit plan, which defines an amount of benefit that an employee will receive on separation from the Company, usually dependent on one or more factors such as age, years of service and remuneration. The liability recognised in the balance sheet for defined benefit plan is the present value of the defined benefit obligation ('DBO') at the balance sheet date together with adjustments for unrecognised actuarial gains or losses and past service costs. The present value of DBO is calculated annually by an independent actuary using the projected unit credit method.

The Company also provides benefit of compensated absences under which un-availed leaves are allowed to be accumulated to be availed in future. The scheme is considered as an other long-term benefit. The compensated absences comprise of vesting as well as non-vesting benefit and the liability is determined in accordance with the rules of the Company and is based on actuarial

Open Network for Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (Cont'd)

valuations made on projected unit method at the balance sheet date.

f) Provisions and contingencies

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company; or
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- present obligation, where a reliable estimate cannot be made.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term bank deposits with an original maturity of three months or less.

h) Provision for taxation

The Company is registered under Section 12A of the Income Tax Act, 1961, hence, it will claim exemption on its income under Section 10(23)(vi) of the aforesaid Act till financial year 2024-2025 and therefore, no provision for income tax and deferred tax has been recognized in its financial statements.

Open Network For Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ lacs unless otherwise stated)

3 Equity share capital

Particulars	As at	As at
	31 March 2023	31 March 2022
Authorised		
50,000,000 (31 March 2022: 50,000,000) equity shares of ₹ 100 each	50,000.00	50,000.00
Issued, subscribed and paid up		
1,80,00,000 (31 March 2022: 15,750,000) equity shares of ₹ 100 each, fully paid up	18,000.00	15,750.00

3.1 The reconciliation of the number of Shares outstanding is set out below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	1,57,50,000	15,750.00	-	-
Shares issued during the year	22,50,000	2,250.00	1,57,50,000	15,750.00
Shares outstanding at the end of the year	1,80,00,000	18,000.00	1,57,50,000	15,750.00

3.2 Details of shares held by the promoter as defined in Section 2(69) of the Companies Act, 2013

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Quality Council of India	10,00,000	5.56%	10,00,000	6.35%
Protean eGov Technologies Limited	10,00,000	5.56%	10,00,000	6.35%

3.3 Details of shareholder holding more than 5% of the shares of the Company[#]

Name of the shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Quality Council of India	10,00,000	5.56%	10,00,000	6.35%
Protean eGov Technologies Limited	10,00,000	5.56%	10,00,000	6.35%
NSE Investments Limited	10,00,000	5.56%	10,00,000	6.35%
Kotak Mahindra Bank Limited	10,00,000	5.56%	10,00,000	6.35%
Axis Bank Limited	10,00,000	5.56%	10,00,000	6.35%
HDFC Bank Limited	10,00,000	5.56%	10,00,000	6.35%
IDFC FIRST Bank	10,00,000	5.56%	10,00,000	6.35%
Small Industries Development Bank of India	10,00,000	5.56%	10,00,000	6.35%
State Bank of India	10,00,000	5.56%	10,00,000	6.35%
National Bank for Agriculture and Rural Development	10,00,000	5.56%	10,00,000	6.35%
Bank of Baroda	10,00,000	5.56%	10,00,000	6.35%
Central Depository Services (India) Limited	10,00,000	5.56%	10,00,000	6.35%
ICICI Bank Limited	10,00,000	5.56%	10,00,000	6.35%
Punjab National Bank	10,00,000	5.56%	10,00,000	6.35%
BSE Investments Limited	10,00,000	5.56%	-	0.00%
Bank of India	10,00,000	5.56%	-	0.00%
National Securities Depository Limited	10,00,000	5.56%	-	0.00%

[#] The above information is furnished as per the shareholder's register as at the respective year ends and represents both legal and beneficial ownership of the shares.

3.4 Terms and rights attached to the equity shares

The Company has one only class shares referred to as equity shares having a face value of ₹ 100 per share. Each equity shareholder is entitled to one vote per share held. In the event of the liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.5 The Company has not issued any other shares pursuant to a contract without payment being received in cash nor allotted as fully paid up by way of bonus shares and there has not been any buy-back of shares in the current financial year and in the preceding reporting period.

3.6 The Company has not reserved any shares for issuance under options.

Open Network For Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ lacs unless otherwise stated)

4 Reserves and surplus

Particulars	As at	
	31 March 2023	31 March 2022
Balance at the beginning of the reporting period	(307.55)	-
Deficit for the year/period	(4,667.66)	(307.55)
Balance at the end of the reporting period	(4,975.21)	(307.55)

5 Provisions

Particulars	As at		As at	
	31 March 2023		31 March 2022	
	Long-term	Short-term	Long-term	Short-term
Provision for gratuity	16.74	-	-	-
Provision for compensated absences	40.66	12.17	-	-
	57.40	12.17	-	-

- 5.1 The Company has determined the liability for compensated absences and gratuity in accordance with Accounting Standard-15 (Revised) "Employee Benefits". The contribution are determined using the actuarial valuation method. Disclosures as envisaged in revised accounting standard in respect of defined benefit obligation for gratuity and compensated absences and as applicable to Company are as given below :

Assumptions used	As at	
	31 March 2023	31 March 2022
Discount rate*	7.50%	-
Future salary increase**	5.00%	-
Average remaining working life	22.00	-

* The discount rate is based on the prevailing market yield on government securities as at the reporting dates for the estimated term of obligations.

**The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

6 Other long term liabilities

Particulars	As at	
	31 March 2023	31 March 2022
Lease equalisation reserve	48.55	-

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Open Network For Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ lacs unless otherwise stated)

7 Trade payables

Particulars	As at	As at
	31 March 2023	31 March 2022
(i) Total outstanding dues of micro enterprises and small enterprises;	4.12	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises*	1,497.07	310.25
	1,501.19	310.25

*Refer note 17 for payables to related parties.

7.1 Trade payables ageing schedule for the year ended 31 March 2023

	Not due	Less than 1 year	1 - 2 years	Total
Total outstanding dues of micro and small enterprises	-	4.12	-	4.12
Total outstanding dues of creditors other than micro and small enterprises	-	1,497.07	-	1,497.07
	-	1,501.19	-	1,501.19

Trade payables ageing schedule for the year ended 31 March 2022

	Not due	Less than 1 year	1 - 2 years	Total
Total outstanding dues of micro and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	310.25	-	310.25
	-	310.25	-	310.25

7.2 Disclosure required under Micro, Small and Medium Enterprises Development (MSMED) Act 2006 :

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company:

	As at	As at
	31 March 2023	31 March 2022
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:		
Principal	4.12	-
Interest	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

8 Other current liabilities

Particulars	As at	As at
	31 March 2023	31 March 2022
Statutory dues	300.03	6.60
Employee related payables*	54.42	-
Capital creditors	35.23	-
	389.68	6.60

*Refer note 17 for payables to related parties.

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Open Network For Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ lacs unless otherwise stated)

9 Property, plant and equipment

Particulars	Leasehold improvements	Furniture and Fixtures	Computers	Office equipment	Total
Gross block					
As at 30 December 2021	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31 March 2022	-	-	-	-	-
Additions	277.77	96.38	47.18	89.12	510.45
Disposals	-	-	-	-	-
As at 31 March 2023	277.77	96.38	47.18	89.12	510.45
Accumulated depreciation					
As at 30 December 2021	-	-	-	-	-
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31 March 2022	-	-	-	-	-
Charge for the year	14.61	2.53	9.07	4.22	30.43
Disposals	-	-	-	-	-
As at 31 March 2023	14.61	2.53	9.07	4.22	30.43
Net block					
As at 31 March 2023	263.16	93.85	38.11	84.90	480.02
As at 31 March 2022	-	-	-	-	-

Notes:

The Company has not revalued its property, plant and equipment during the year.

None of the assets are pledged under lien.

There are no capital commitments as at reporting date.

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Open Network For Digital Commerce**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023***(All amounts in ₹ lacs unless otherwise stated)***10 Loans and advances**

Particulars	As at		As at	
	31 March 2023		31 March 2022	
	Long-term	Short-term	Long-term	Short-term
<i>(Unsecured, considered good unless otherwise stated)</i>				
Prepaid expenses	-	31.39	-	-
Balances with statutory authorities	590.57	-	-	-
Other advances [#]	-	143.92	-	-
	590.57	175.31	-	-

[#]No loans and advances are due from directors or other officers of the Company either severally or jointly with any other person. Nor any loans and advances are due from firms or private companies in which director is a partner, director or member.

11 Other non-current assets

Particulars	As at	As at
	31 March 2023	31 March 2022
Bank deposits having maturity of more than 12 months from the reporting date [^]	12,394.24	-
Security deposits	58.41	-
	12,452.65	-

[^]Includes interest accrued of ₹ 394.24 lacs (31 March 2022: ₹ Nil lacs).

12 Cash and bank balances

<i>Cash and cash equivalents</i>		
Balances with banks	304.01	15,759.30
<i>Other bank balances</i>		
Bank deposits with maturity of more than three months but less than twelve months*	1,031.22	-
	1,335.23	15,759.30

*Includes interest accrued of ₹ 31.22 lacs (31 March 2022: ₹ Nil lacs).

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Open Network For Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ lacs unless otherwise stated)

13 Other income

Particulars	For the year ended 31 March 2023	For the period from 30 December 2021 to 31 March 2022
Interest income	640.91	10.07
	640.91	10.07

14 Employees benefits expense

Salaries, bonus and other allowances [§]	1,375.39	14.04
Contribution to provident and other funds	52.08	-
Gratuity	16.74	-
Staff welfare	41.81	-
	1,486.02	14.04

[§] Refer note 17 for transactions with related parties.

15 Finance cost

Interest on delay in payment of statutory dues	9.12	-
	9.12	-

16 Other expenses

Network maintenance	1,486.28	-
Professional and legal expenses	1,400.99	44.82
Travelling	185.63	1.26
Promotion expense	325.40	0.13
Lease rent [#]	291.66	-
Office maintenance	63.79	-
Electricity	4.58	-
Rates and taxes	2.19	252.37
Printing and stationery	7.16	-
Payment to auditors		
- Statutory audit	7.00	5.00
- Out of pocket	0.30	-
Miscellaneous expenses	8.02	-
	3,783.00	303.58

[#] The Company has taken an office premises under operating lease arrangement. The lease term for the said office premises is for five years.

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Open Network For Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ lacs unless otherwise stated)

17 Related party disclosures

a. Name of related parties and nature of relationship

Key Managerial personnel

Mr Thampy Koshy - Managing Director and Chief Executive Officer

b. Transactions with related parties

Mr. Thampy Koshy

Salaries, bonus and other allowances

Protean eGov Technologies Limited

Network operating expenses

Quality Council of India

Rates and taxes

	Key Managerial Person		Promoter	
	For the year ended 31 March 2023	For the period from 30 December 2021 to 31 March 2022	For the year ended 31 March 2023	For the period from 30 December 2021 to 31 March 2022
Mr. Thampy Koshy Salaries, bonus and other allowances	163.35	14.04	-	-
Protean eGov Technologies Limited Network operating expenses	-	-	968.91	-
Quality Council of India Rates and taxes	-	-	-	252.54

c. Balances of related parties

Mr Thampy Koshy

Employee related payables*

Protean eGov Technologies Limited

Trade payables

Quality Council of India

Trade payables

	Key Managerial Person		Promoter	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Mr Thampy Koshy Employee related payables*	27.92	-	-	-
Protean eGov Technologies Limited Trade payables	-	-	289.94	-
Quality Council of India Trade payables	-	-	-	252.54

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Open Network For Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ lacs unless otherwise stated)

18 The analytical ratios for the period ended 31 March, 2023 and 31 March, 2022, as applicable, are as below:

Ratio	Measurement unit	Numerator	Denominator	For the year ended 31 March 2023	For the period from 30 December 2021 to 31 March 2022	Change	Remarks
Current ratio	Times	Total current assets	Total current liabilities	0.79	49.74	-98.40%	Refer note (a) below
Return on equity	%	Net deficit	Average shareholder's equity [(opening shareholder's equity + closing shareholder's equity) /2]	-32.79%	-3.98%	-723.29%	Refer note (b) below
Return on capital employed	%	Deficit before interest	Tangible net worth	-32.73%	-3.98%	-721.68%	Refer note (b) below
Return on investment	%	Gain on investment	Time-weighted average investments	4.63%	-	100%	Refer note (c) below

Explanation for ratios where the variance is beyond 25% compared to previous period:

- The proceeds from issue of share capital have been invested in long term bank deposits which were forming part of current assets in the previous reporting period.
- Due to increased expenditure.
- The investments have been made in banks deposits during the current year.

19 The Company has incurred a net deficit Rs. 4,667.66 lacs for the year ended 31 March 2023 (31 March 2022: Rs. 307.55 lacs) from its operations, and as on that date, the Company's current liabilities exceeded its current assets by Rs. 392.50 lacs. However, the Company has already taken various measures including entering into an arrangement for availing credit/overdraft facility from financial institutions and banks against the creation of lien on its non-callable bank deposits of INR 6,000 lacs. As per the arrangement, the said raised funds would be utilised for funding the operations of the Company.

Based on these measures, the management believes that it would be able to generate sustainable cash flows, discharge its obligations as they fall due and is of the view that it has appropriate liquidity and therefore the financial statements have been prepared on going concern basis

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Open Network For Digital Commerce

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ lacs unless otherwise stated)

20 Additional regulatory information required by Schedule III to the Companies Act, 2013:

- a. The Company have not advanced or loaned or invested funds to any other person or entity, including foreign entities ('the intermediaries'), with the understanding, that the Intermediary shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (the ultimate beneficiaries); or
(ii) provide any guarantee, security or the like on behalf the ultimate beneficiaries.
- b. The Company have not received any funds from any person or entity, including foreign entities (the Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (the ultimate beneficiaries); or
(ii) provide any guarantee, security or the like on behalf the ultimate beneficiaries.
- c. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- d. The Company has not traded or invested in Crypto currency or Virtual Currency.
- e. There are no undisclosed incomes that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- f. The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- g. The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of Board of Directors of
Open Network for Digital Commerce

Sd/-
Nalin Jain
Partner
Membership No. 503498

Sd/-
Thampy Koshy
Managing Director
DIN: 09479938

Sd/-
Ritesh Tiwari
Director
DIN: 05349994

Place: Osaka, Japan
Date: August 29, 2023

Sd/-
Tushar Hassija
Company Secretary
Membership No: A33936

Place: New Delhi
Date: August 29, 2023