

NOTICE

Notice is hereby given that the **1st Extra Ordinary General Meeting** of the Members of **Open Network For Digital Commerce** for the financial year 2023-24 is scheduled to be held on **Friday, October 13, 2023 at 2.00 p.m.** through hybrid Mode (In Person + video conference) 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, 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 transact the following business:

SPECIAL BUSINESS:

1. **To offer or invite for issue and allotment of Equity Shares under Private Placement basis:**

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

“RESOLVED THAT pursuant to the provisions of Section 23, 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof and subject to the relevant provisions of the Article of Association of the Company; the consent of Members be and is hereby accorded to issue and offer not exceeding 12.60 Crores (Twelve Crores and Sixty Lacs) Equity Shares of Rs. 100/- each at par aggregating to Rs. 1,260 Crores/- (One Thousand Two Hundred and Sixty Crores only), in one or more tranches via Private Placement offer letter (form PAS-4), **with the specific authority to early close the offer on or after it secures Rs. 600 Cr (Rupees Six Hundred Crores) on a first-come, first-serve basis and/or a proportional method basis, from the identified Investors if so desired and considered appropriate by the Board under Private Placement basis.**

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, Finance and Audit Committee, Directors, COO, and Company Secretary of the Company be and is hereby jointly and severally

authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification(s) to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion may deem appropriate, without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification(s) to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to Finance and Audit Committee of Directors/ any Director(s)/COO/Company Secretary/any Officer(s) of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT the certified copy of this resolution be forwarded to such Investors and such other authorities as may be required.”

Notes: To ensure equitable opportunities for both Current and Prospective Investors, the Company plans to allocate an equal number of shares to the Investors within each class (Existing Investors: 30 crores each, New Investors excluding Insurance Companies: 40 crores each, and Insurance Companies: 10 crores each), thereby indicating a larger issue size. However, the Company's primary objective is to raise around 600 crores. This approach provides the Company the flexibility to close the offering and cancel any remaining unsubscribed shares at its discretion once the primary objective of fundraising is achieved.

Some Investors, especially those subject to regulatory approvals, may join at a later stage. The Company will consider their participation at a later date if they could not participate in the earlier stages. The Board may allot shares using a first-come, first-served approach and/or a proportional method.

Registered Office: Date: September 27, 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 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 (collectively referred to as ‘MCA Circulars’) permitted the holding of the 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.
3. 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. 9711414454 (Tushar Hassija) in case of any assistance needed in utilizing the electronic means before or during the meeting.
4. 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.
5. In terms of General Circular No. 14/2020 dated April 08, 2020 issued by the Ministry of Corporate Affairs and as renewed from time to time thereafter, since the Meeting is convened through VC, Members are

not allowed to appoint proxy to attend on their behalf, as the physical presence of Members is not required.

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. The Company shall conduct the Meeting through video conferencing, the link of which will be shared separately. The members will get a meeting invite at the registered email addresses of the persons entitled to attend the Meeting, for joining the Meeting. The procedure for joining the EGM through VC/OAVM will be mentioned in the separate mail containing the Link for attending the meeting.
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. Members can, prior to the Meeting, seek technical assistance on the abovementioned number between 11 pm to 3 p.m. prior to the meeting.
10. 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.
11. 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.
12. 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.
13. The 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

14. Since the EGM will be held through VC in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

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

Item No. 1:

In its mission to make digital commerce more inclusive and accessible, ONDC has to work as a catalyst for the wider ecosystem, so that farmers, MSMEs, rural producers and consumers and other undigitised ecosystem participants and enablers can join and benefit from ONDC, triggering and assisting with technological solutions, capacity building and handholding support, and enabling operational excellence.

While scaling any such initiative, speed-to-market is critical while the momentum is building, any mismatch in speed and scale-up could lead to network effects not trickling in. While ONDC is already working on multiple such initiatives with ecosystem partners, social sector organisations, state and central governments as well as startups and large companies, ONDC will be expected to rapidly scale its involvement and innovation to rapidly grow the network.

ONDC is planning to raise additional funds to drive more innovation across key segments, rapidly build tools to enable faster adoption, rapid scale-up and enhanced trust on the network, deploying on-ground workforce and feet-on-street to activate local ecosystems, and provide capacity building for undigitised sellers.

Considering these long-term funds requirement of the Company to accomplish its path-breaking objectives, which can be achieved by making the Investors in the Company as equity partners in the entity.

As stated above, in order to ensure equitable opportunities for both Current and Prospective Investors, the Company plans to allocate an equal number of shares to the Investors within each class (Existing Investors: 30 crores each, New Investors excluding Insurance Companies: 40 crores each, and Insurance Companies: 10 crores each), thereby indicating a larger issue size of 12.60 Crores (Twelve Crores and Sixty Lacs) Equity Shares of Rs. 100/- each at par aggregating to Rs. 1,260 Crores/- (One Thousand Two Hundred and Sixty Crores only). **However, the Company's primary objective is to raise around 600 crores. Consequently, it may allot shares using a first-come, first-served approach**

and/or a proportional method. This approach provides the Company the flexibility to close the offering and cancel any remaining unsubscribed shares at its discretion once the primary objective of fundraising is achieved.

The issue price for the proposed issue of equity shares is Rs. 100/- (Rupees One Hundred only) i.e., at par. The issue price is arrived at considering the valuation report obtained from Independent Registered Valuer.

The Copy of valuation Report is available at the Registered office of the Company on any working days, during business hours for perusal of members.

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

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

Sr. No.	Disclosure	Comments
1	Purpose and Object of the Issue.	To augment funds to achieve the objectives of the Company.
2	Kind of Securities offered / total number of share or other securities to be issued and amount proposed to be raised.	<p>In order to provide equal opportunities to both existing and prospective Investors, the Company plans to allocate an equal number of shares to the Investors within each class, thereby intends intend to issue and offer not more than 12.60 Crore (Twelve Crores and Sixty Lacs) equity shares, each valued at Rs. 100/- at par, with a total aggregation of Rs. 1,260 Crores/- (One Thousand Two Hundred and Sixty Crores only), in one or more tranches.</p> <p>It is important to note that once the company secures its primary</p>

		objective, the Board reserves the right to close the offer.
3	Date of the board resolution	22 nd September, 2023
4	The price or price band at / within which the allotment is proposed.	Rs. 100/- (Rupees One Hundred only) each at par.
5	Basis / justification on which the price has been arrived at along with the report of the registered valuer.	The issue price is based on the fair value of shares as arrived by valuation by independent Registered Valuer. The Net Asset Value Method is used for valuation of shares.
6	Material Terms of raising of Securities.	<ul style="list-style-type: none"> - <u>Ranking</u>: The Equity Shares shall rank pari-passu with the existing Equity Shares of the Company - <u>Duration, if applicable</u>: NA. - <u>Rate of Dividend or Rate of Interest</u>: The Company being Section 8 Company, is not allowed to declare dividend in terms of the provision of the License issued by the Regional Director read with the provision of the Companies Act, 2013 and rules made thereunder. - <u>Mode of Payment</u>: The Company shall accept payment towards equity shares through authorized banking channels. No cash will be accepted. - <u>Mode of Repayment</u>: NA - <u>Principle terms of assets being charged as securities</u>: N.A - The additional investment sought from each of the existing

		<p>Investors falls within the range of Rs. 20-30 crores, while for new Investors (excluding Insurance Companies), it is Rs. 30-40 crores, and for insurance companies, it is Rs. 10 crores. In the event that if any Investor is unable to meet the minimum contribution requirement, the Company retains the discretion to accept a lower amount.</p>
7	Name and Address of the valuer performing the valuation and relevant date with reference to which the price has been arrived at.	<p>Issue price has been arrived at based on the valuation report obtained from Registered Valuer.</p> <p>Name: M/s A R C H And Associates.</p> <p>Address: B/702, Jyoti Tower, Kandivali Jyoti Park CHS Ltd., Opp. Anand Ashram, S.V. Road, Kandivali (West), Mumbai – 400067.</p> <p>The Relevant Date with reference to which the valuation is arrived at is 30th June, 2023.</p>
8	The class or class of persons to whom the allotment is proposed to be made.	<p>The Equity shares are proposed to be offered to Promoters, Institutions, Public Sector & Private Sector Banks, Public & Private Sector Entities and Insurance Companies.</p>
9	Intention of promoters, directors or key managerial personnel to subscribe to the offer.	<p>The directors and key managerial personnel do not intend to participate in this offer, while the promoters intend to participate in the offer.</p>

10	The proposed time within which the allotment shall be completed.	The allotment shall be done within 12 months from the date of passing of the special resolution for issuance of the further equity shares. The allotment shall, however be completed within 60 days of receipt of share application money as may be received during the offer period. The allotment may be made in more than one tranche.
11	The name of the proposed allottees and the percentage of post preferential offer capital that may be held by them.	<u>Name of Proposed Allottee:</u> <u>As per Annexure I</u>
12	The Change in control, if any in the Company that would occur consequent to preferential offer.	There shall be no change in control post the proposed offer through private placement. The Company shall function independently with all the existing shareholders holding less than 10% stake in the Company.
13	The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price.	During the current financial year 2023-24, the Company has not raised any capital by way of preferential or private placement issue.
14	The justification for allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Not Applicable
15	Contribution being made by the promoters or directors as a part of the offer or separately in furtherance of the objects.	The Promoters intend to participate in the offer, while the directors do not intend to participate in the said offer.

16	The pre and post issue shareholding pattern of the Company.	The pre and post issue shareholding pattern of the Company is mentioned in Annexure 'II' below.
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Pursuant to the provisions of section 42 and 62 of the Companies Act, 2013 and rules made there under, the Company proposes to issue Equity shares under Private Placement Basis in one or more tranches by issuance of Private Placement Offer Cum Share Application form in Form PAS-4 to the select group of shareholders(s), the records of which are maintained in Form PAS-5 for issue of Equity shares.

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

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

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

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

<p>Registered Office:</p> <p>Date: September 27, 2023</p> <p>Place: New Delhi</p>	<p style="text-align: center;">By Order of the Board For Open Network For Digital Commerce</p> <p style="text-align: right;">Sd/- Tushar Hassija Company Secretary M.NO.: A33936</p>
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ANNEXURE I

The Board reserves the right to pre-close the offer after securing its primary objective of Rs. 600 Crores. If the Board pre-closes the offer, the post no. of shares and percentage of individual holding will change correspondingly.

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

Sr. No.	Name of the Shareholders	Type of Security	No of Shares	Percentage of post preferential offer capital
1	Quality Council of India	Equity	40,00,000	2.77
2	Protean eGov Technologies Limited (Formerly NSDL e-Governance Infrastructure Pvt. Ltd)	Equity	40,00,000	2.77
3	BSE Investments Limited	Equity	40,00,000	2.77
4	NSE Investments Limited	Equity	40,00,000	2.77
5	Kotak Mahindra Bank Limited	Equity	40,00,000	2.77
6	Axis Bank Limited	Equity	40,00,000	2.77
7	HDFC Bank Limited	Equity	40,00,000	2.77
8	IDFC First Bank Limited	Equity	40,00,000	2.77
9	Small Industries Development Bank of India	Equity	40,00,000	2.77
10	State Bank of India	Equity	40,00,000	2.77
11	National Bank for Agriculture and Rural Development	Equity	40,00,000	2.77
12	Bank of Baroda	Equity	40,00,000	2.77
13	CSC e-Governance Services India Limited	Equity	35,00,000	2.43
14	UCO Bank	Equity	35,00,000	2.43

15	Central Depository Services (India) Limited	Equity	40,00,000	2.77
16	ICICI Bank Limited	Equity	40,00,000	2.77
17	Punjab National Bank	Equity	40,00,000	2.77
18	National Securities Depository Limited	Equity	40,00,000	2.77
19	Bank of India Limited	Equity	40,00,000	2.77
20	IDBI Bank Limited	Equity	40,00,000	2.77
21	RBL Bank Limited	Equity	40,00,000	2.77
22	EXIM Bank	Equity	40,00,000	2.77
23	IndusInd Bank Ltd.	Equity	40,00,000	2.77
24	Federal Bank	Equity	40,00,000	2.77
25	Indian Bank	Equity	40,00,000	2.77
26	Union Bank of India	Equity	40,00,000	2.77
27	Yes Bank	Equity	40,00,000	2.77
28	Canara Bank	Equity	40,00,000	2.77
29	Central Bank of India	Equity	40,00,000	2.77
30	Indian Overseas Bank	Equity	40,00,000	2.77
31	Punjab and Sind Bank	Equity	40,00,000	2.77
32	Bank of Maharashtra	Equity	40,00,000	2.77
33	Bandhan Bank Limited	Equity	40,00,000	2.77
34	Future Generali India Insurance Company Limited	Equity	10,00,000	0.69
35	Cholamandalam MS General Insurance Company Limited	Equity	10,00,000	0.69
36	HDFC Life Insurance Company Limited	Equity	10,00,000	0.69
37	HDFC Ergo General Insurance Company Limited	Equity	10,00,000	0.69
38	ICICI Lombard General Insurance Company Limited	Equity	10,00,000	0.69
39	ICICI Prudential Life Insurance Company Limited	Equity	10,00,000	0.69
40	Kotak Mahindra Life Insurance Company Limited	Equity	10,00,000	0.69
41	Max Life Insurance Company Limited	Equity	10,00,000	0.69

42	Bharti AXA Life Insurance Company Limited	Equity	10,00,000	0.69
43	Bajaj Allianz Life Insurance Company Limited	Equity	10,00,000	0.69
44	Reliance General Insurance Company Limited	Equity	10,00,000	0.69
45	Tata AIG General Insurance Company Limited	Equity	10,00,000	0.69
46	SBI Life Insurance Company Ltd.	Equity	10,00,000	0.69
TOTAL			14,40,00,000	100

ANNEXURE II

The Board reserves the right to pre-close the offer after securing its primary objective of Rs. 600 Crores. If the Board pre-closes the offer, the post issue shareholding pattern and post issue share capital will change correspondingly.

Pre and Post issue Offer Shareholding Pattern (Equity Shares)

Sr. No.	Category	Pre-Issue		Post Issue	
		No. of Shares Held	% of Shareholding	No. of Shares Held	% of Shareholding
A	Promoters Holding				
1	Indian:				
	Individual	-	-	-	-
	Bodies Corporate	20,00,000	11.11	80,00,000	5.56
	Sub Total	20,00,000	11.11	80,00,000	5.56
2	Foreign Promoters	--	--	--	--
	Sub Total (A)	20,00,000	11.11	80,00,000	5.56
B	Non-Promoters Holding				
1	Institutional Investors	1,15,00,000	63.89	11,65,00,000	80.90
2	Non-Institutional Investors:	--	--	--	--
3	Private Corporate Bodies	-	-	-	--
4	Directors and Relatives	--	--	--	--
5	Indian Public	--	--	--	--
6	Others (Including NRI)	45,00,000	25.00	1,95,00,000	13.54
	Sub Total (B)	1,60,00,000	88.89	13,60,00,000	94.54
	Grand Total	1,80,00,000	100	14,40,00,000	100