

ONDC NETWORK PARTICIPANT AGREEMENT

Version History

Version	Date	Description
0.3	12th May 2022	Released to NPs
1.0	14th June 2022	- Added reciprocal protections for NPs' IP - Removed clauses that were repeated - Made the non-disparagement clause less ambiguous - Clarified clauses on liability resulting from unfair trade practices by Network Participants - Provision for termination on grounds of exposing ONDC to liability made less ambiguous - Added indemnification process, and other related provisions on settlement etc. - Removed phone calls as a method to serve notice - Defined the term "Buyer" which has been used synonymously with the term "Customer" in other policies
1.1	28th June 2022	- Removed the reciprocal participation sub-clause in clause 1 - Made the non-disparagement clause mutual - Simplified the indemnification process - Made the cessation of use of Marks after termination of the Agreement mutual - Included Gateways under the definition of Network Participant
2.0	1st December 2025	- Introduced 30-day advance written notice before levy of any fee to ensure transparency. - Added a clear process for submitting and updating Participant's Marks through the onboarding portal or other notified methods. - Limited indemnity to third-party claims and clarified that claims must arise from or relate to the Agreement. - Added a limitation of liability provision for Network Participants, excluding indirect or consequential losses. - Incorporated a detailed arbitration process within the Agreement and revised the tribunal to a sole arbitrator. - Clarified the process for seeking ONDC's approval for assignment and defined scenarios where assignment or transfer is allowed. - Defined the process for amendments, including acceptance/rejection by the NP and the NP's right to terminate immediately if amendments are not acceptable.

2.1	30th June 2026	- Added new Clause 4.4 to clarify that any software, APIs, or customizations developed by the Participant to interface with the ONDC Network remain the Participant's sole IP, even where ONDC's open-source specifications are used. - Amended Clause 7.6 to introduce a liability cap of INR 3,00,00,000/- (three crores) per claim for Network Participants, notwithstanding any other provision in the Agreement. - Erstwhile Clause 7.6 renumbered to new Clause 7.7
-----	----------------	---

INTRODUCTION

This Network Participant Agreement (**Agreement**) is an electronic record published by Open Network for Digital Commerce (**ONDC**) under the provisions of the Information Technology Act, 2000 and the rules made there under (as applicable) and shall act as a valid agreement between ONDC and the Network Participants (hereinafter also referred to as **Participant**), as defined in the Network Policy published by ONDC. This Agreement together with the Network Policy and Transactional Documents shall constitute the entire agreement between the parties in relation to this subject matter. ONDC is an open network developed on open protocols based on open-source specifications with established registries, enabling wide-scale participation by digital commerce ecosystem players as provided in ONDC's Network Policy. The ONDC Network is owned, managed and made available by ONDC, a Section 8 company registered under the Companies Act, 2013. By utilising or accessing the ONDC Network, the Participant agrees to be bound by the terms contained in this Agreement and the Network Policy as amended from time to time. This Agreement shall take effect on the date on which the Participant's registration with the ONDC Network is accepted or approved by ONDC.

1. GENERAL

- 1.1 ONDC shall provide access to the Participants to the ONDC Network to enable transactions between the End Users, and between the Participants in accordance with the terms of this Agreement, Network Policy and any other policies, specification or guidelines issued by ONDC in this regard.
- 1.2 The Participant must meet the criteria as laid down in the Network Policy for being eligible to access and use the ONDC Network and to register with ONDC.
- 1.3 The Participant shall ensure compliance with and shall comply with all obligations and responsibilities laid out in the Network Policy and other guidelines, specification or policies issued by ONDC from time to time.
- 1.4 The Participants shall comply with all requirements under the Applicable Laws, existing and future, with regard to and in connection with the services or products offered through the ONDC Network.

2. OBLIGATIONS AND RESPONSIBILITIES OF ONDC

- 2.1 ONDC shall provide access to the Participant to the ONDC Network and reasonably assist the Participant in its Interfacing to the ONDC Network. ONDC will endeavour to make the ONDC Network available at all times on a best effort basis, however, ONDC does not promise or guarantee any up time to the Participants. ONDC as a network facilitating entity will provide a base framework of policies and guidelines for ONDC Network that all Participants must comply with at all times.
- 2.2 ONDC shall also have the right to build and maintain the reputation ledger ranking based on the quality of products and services provided by all Sellers, opting to participate in the reputation ledger, on the basis of data that the Participant may be requested to provide, in accordance with the ONDC Network Policy. The Participant shall be responsible for ensuring the accuracy of data and taking necessary consents under the Applicable Laws. ONDC shall not be held liable for any inaccuracies in the data hosted by the reputation ledger.

3. SERVICE / REGISTRATION FEES

- 3.1 In consideration of the services provided and grant of rights under this Agreement, the Participant shall pay ONDC such fee as notified by ONDC from time to time, provided that any introduction or revision of such fee shall become effective only after giving the Participant at least thirty (30) days' prior written notice.
- 3.2 Such fee payable by the Participant to ONDC shall be exclusive of GST and any other applicable taxes will be charged separately on the service fee payable by the Participant.
- 3.3 The Participant shall be responsible for all of its expenses in connection with this Agreement, unless stated otherwise.

4. INTELLECTUAL PROPERTY RIGHTS

- 4.1 ONDC hereby grants to the Participant a non-exclusive, royalty-free, non-transferable and limited right, during the term of this Agreement, to use, reproduce and display the ONDC Marks as per the terms and conditions set out in the Network Policy. The Participant hereby grants to ONDC a non-exclusive, worldwide, and royalty free licence for the duration of this Agreement to use, reproduce and display the Participant's Marks, which is submitted to ONDC at the time of onboarding or subsequently updated and shared through ONDC onboarding portal or any other means as defined by ONDC from time to time, in respect of the endeavours contemplated within this Agreement and the Network Policy.
- 4.2 Provided that neither party to this agreement will alter any of the provided trademarks, (except to re-size trademarks to the extent necessary for presentation, so long as the relative proportions of such trademarks remain the same) and will comply with the removal requests as to specific uses of each part.
- 4.3 Notwithstanding the foregoing, the Participant must ensure compliance with the ONDC Branding Guidelines, as amended and communicated from time to time.
- 4.4 Any software, APIs, or customizations developed by the Participant to interface with the ONDC Network shall remain the sole and exclusive property of the Participant, even if the said derivative works utilize ONDC's open-source specifications.

5. REPRESENTATIONS AND WARRANTIES

- 5.1 Each Party represents and warrants to the other Party that:
 - 5.1.1 it has the full corporate right, power, and authority to enter into this Agreement and to perform the acts required of it under this Agreement;
 - 5.1.2 this Agreement will constitute a legal, valid, and binding obligation of such Party that is enforceable against such Party;
 - 5.1.3 it has and shall maintain all necessary statutory and regulatory permissions, approvals and permits, that is necessary for the running and operation of its establishment for the conduct of its operations;

- 5.1.4 it has and shall maintain all the title and ownership, licence, or right to use, as applicable, in all the IPR associated with it and there is no need for any payment or permission, or authorization required from any other party or entity to use, distribute, or otherwise exploit in all manners permitted by this Agreement and/or Network Policy;
 - 5.1.5 all information submitted by the Parties is truthful, lawful and accurate, as on the date of this Agreement;
 - 5.1.6 it has complied with or will ensure compliance with all conditions provided under the Applicable Laws in order to enable it to lawfully enter into and exercise its rights and perform its obligations under this Agreement, and to make this Agreement admissible as evidence;
 - 5.1.7 the fulfilment or compliance with the terms and provisions hereof, will not conflict with, or result in a breach of the provisions of any agreement, instrument, order, judgment, decree, statute, law, rule, or regulation to which they are subject to or the IPRs of any third party, or require any consent, approval or other action by any court, tribunal, administrative or Competent Authority; and
 - 5.1.8 it shall not make any statement to defame or disparage the other Party or adversely affect the other Party's reputation, except when such statement is truthful and is reasonably necessary for the Party to enforce or defend its rights under this Agreement, or is required by a court of law, mediator, arbitrator or regulatory or legislative body with jurisdiction to order the Party to make such statement; *Explanation:* Creation, maintenance and publication of the reputation ledger by ONDC, or publication of any information or making any disclosures by ONDC in accordance with the ONDC Network policy shall not constitute defamation or disparagement under this clause 5.1.8.
- 5.2 The Participant represents and warrants to ONDC that:
- 5.2.1 the Participant has an application that is capable of integration with the ONDC Network and conforms to the ONDC Specifications;
 - 5.2.2 it shall not exploit the rights granted under this Agreement in any manner not specified in this Agreement or the Network Policy and any other policies, specification or guidelines issued by ONDC in this regard; and
 - 5.2.3 it shall ensure compliance with the Network Policy.

6. INDEMNIFICATION

- 6.1. The Participant agrees to fully indemnify and hold harmless ONDC and its affiliates and their respective officers, directors, employees, and agents from and against any and all direct third party claims, actions, losses, demands, suits, judgments, decrees, proceedings, damages, costs, expenses, penalties, liabilities (including, without limitation, reasonable legal fees) or causes of action (collectively, **Claims**) brought against or incurred by ONDC, arising out of or in connection with this Agreement, where such Claims result from:

- 6.1.1. any act of fraud, wilful misconduct or gross negligence by the Participant or any of its employees, officers, agents, service provider or sub-contractors;
- 6.1.2. any breach by the Participant of any of its obligations, covenants, representations or warranties under this Agreement or the Network Policy;
- 6.1.3. any violation by the Participant or any of its employees, officers, agents, service provider or subcontractors of any Applicable Law, rule or regulation;
- 6.1.4. any use of unfair trade practices by the Participant, including but not limited to false or misleading advertisements during offer, sales, fulfilment, or alleged breach of representation, or for any personal injury, death or property damage cause by the product or service provided by the Participant;
- 6.1.5. any infringement or unauthorised use of ONDC Intellectual Property or ONDC Mark or ONDC Protocol Specifications by the Participant;
- 6.1.6. any losses and damages caused by the Participant's APIs or App to the ONDC Network or other Participants;
- 6.1.7. any third-party claims including claims by End Users or other Participants related to services and / or functions that the Participant is liable to perform or provide to End Users or other Participants or its service providers under this Agreement or its agreement with any third-party or End Users or other Participants;
- 6.1.8. claims by Competent Authority for Tax, fines, penalties, sanctions or other remedies arising from or in connection with the Participant's failure to comply with the Agreement, Network Policy or Applicable Laws; or
- 6.1.9. in case of any TDS by any Participant in respect of service fees payable to ONDC, any losses suffered by ONDC (including any Tax, expenses including legal cost or other charges) as a result of a failure of the Participant to timely deposit TDS, file TDS returns, issue TDS certificates or adhere to any other compliances required in this regard under Applicable Law.

6.2. Indemnification process:

- 6.2.1. In the event of any indemnifiable Claim, ONDC will promptly provide the Participant with written notice of the Claim, and will notify the Participant within ten (10) business days of the receipt of the written notice relating to the Claim.
- 6.2.2. Any indemnification payment due under this Agreement shall be made in full (and without deduction for any counterclaim, defence, recoupment, or set-off) by the Network Participant no later than sixty (60) days after receipt of the written notice in accordance with this clause unless objected by the Network Participant in writing within fifteen (15) days of receipt of the written notice from ONDC.

- 6.2.3. If the Network Participant objects to the indemnification in respect of any Claim as per Clause 6.2.2 above, then such dispute shall be settled in accordance with the procedure set out in Clause 9 of this Agreement.
- 6.2.4. Any failure to notify the Network Participant as per this clause shall not constitute waiver of such Claims but ONDC shall not be entitled to receive any indemnification with respect to any additional loss occurred as a result of the failure to give such notice within the prescribed time period.
- 6.2.5. The Network Participant is hereby authorised to handle and deal with all such Claims covered under this Agreement.
- 6.2.6. The Network Participant shall be entitled to assume the defence of any matter on behalf of ONDC, at its own Expense, provided written consent has been obtained from ONDC for any defence on behalf of ONDC. The Network Participant in its sole discretion shall have the right to settle, compromise or defend until final adjudication any dispute or alleged liability for which a Claim for indemnification has been made.
- 6.2.7. The Participant agrees to cooperate in good faith and use best efforts to ensure that ONDC is indemnified and reimbursed for any and all Claims.
- 6.2.8. ONDC will provide the Participant with all available information known to ONDC relating to the Claim, and agrees to cooperate in good faith and provide any and all information available with it, as required for the defence of any Claim.

Explanation: For the purposes of Clause 6, “Expense” shall mean all costs incurred in the defence of any claim or action brought against ONDC, including lawyers’ fees.

7. LIMITATION OF LIABILITY

- 7.1. ONDC shall not be liable for any charges by any Participant in relation to any of the transactions executed through the ONDC Network. Prima facie, the transactions on the ONDC Network will be between the End Users, and between the Participants. Accordingly, any liability for any claims with respect to or arising out of any transaction on the ONDC Network including those raised by any End User will rest with the contracting parties with respect to the transaction and will be governed by the terms and conditions of the respective Participant. The Participants shall have no claim against ONDC with respect to any losses arising out of such disputes and it is hereby agreed that ONDC shall not be liable or responsible for any such liability incurred by the Participant.
- 7.2. ONDC shall not be held responsible or liable for any loss arising out of the interruption or disruption of the ONDC Network.
- 7.3. ONDC shall not be held responsible or liable for any KYC / AML non-compliance by any Participants or for any non-compliance with Applicable Laws or the act of the Participant in relation to the goods or services offered or sold through the ONDC Network.

- 7.4. Unless otherwise expressly specified in writing, the ONDC Network is provided on an ‘as is’ basis, without any express or implied warranties in respect thereof. It is hereby mutually agreed between the Parties that under no circumstances shall ONDC be liable for any damages or loss whatsoever, whether such damages or loss are direct, indirect, incidental, remote, consequential; or irrespective of whether any claim is based on loss of revenue, interruption of business or any loss of any character or nature whatsoever and whether sustained by the Participant or by any other person, as a result of the operation of this Agreement.
- 7.5. Notwithstanding anything else contained in this Agreement or in any other document, the liability of ONDC to the Participant, if any, or as may be determined by a court of law, shall be limited to the fees paid by the Participant to ONDC under this Agreement, in the past one (1) month preceding the claim till the date of the incident which results in actual loss being suffered by the Participant.
- 7.6. Notwithstanding anything else contained in this Agreement or in any other document, the liability of Network Participant, if any, or as may be determined by a court of law, shall be limited to INR 3,00,00,000/- (Indian Rupees three crores only) per claim.
- 7.7. It is hereby mutually agreed between the Parties that, under no circumstances, shall the Network Participant be liable to ONDC for any indirect, incidental, remote, or consequential damages, loss of profit, goodwill, or anticipated business opportunities, arising out of or in connection with this Agreement.

8. TERM AND TERMINATION

- 8.1. This Agreement shall commence upon the completion and acceptance of registration of the Participant in the ONDC Network and shall continue, unless terminated in accordance with this Agreement.
- 8.2. ONDC reserves the right to suspend the Participant from the ONDC Network after a due process prescribed in the Network Policy for reasons as may be provided in the Network Policy from time to time.
- 8.3. Either Party may terminate this Agreement at any time, with or without cause, upon 60 days’ written notice of termination to the other Party.
- 8.4. Without prejudice to other provisions of this Agreement and other rights or remedies to terminate this Agreement, ONDC may at its sole discretion terminate this Agreement as per the due process specified in the Network Policy by providing a written notice to Participant if:
- 8.4.1. the Participant fails to fully perform any obligation under this Agreement or the Network Policy or violates any policy or procedure, provided that the Participant has failed to remedy such failure or violation within fifteen (15) days following written notice from ONDC.
 - 8.4.2. the Participant commits an offence or engages in any unlawful or unfair business practice or fails to comply with Applicable Law.
 - 8.4.3. there is a material change in or transfer of the Participant’s management, shareholding, ownership, control or business operations, or the Participant becomes affiliated, through common management, ownership, or control, with any person that is not

eligible to be part of ONDC Network;

8.4.4. the Participant's actions expose ONDC to any liability, obligation, or violation of Applicable Law.

8.4.5. the Participant undergoes an Insolvency Event; or

8.4.6. immediately, if the Participant (i) discontinues its application; or (ii) materially varies the manner in which it offers the application to its End Users; or (iii) offers the application to End Users in a manner not approved by ONDC; or (iv) the Participant's applications fails to meet security requirements and threatens safety of the ONDC Network; or (v) stops availing the ONDC Network and its associated services for transactions in the ONDC Network.

8.5. Upon termination of this Agreement:

8.5.1. All rights and obligations incurred under this Agreement shall cease immediately.

8.5.2. Termination shall not affect any accrued rights or obligations of the parties.

8.5.3. The Participant hereby permits ONDC to use or process all information stored in the ONDC Registry, as deemed fit by ONDC, in accordance with Applicable Laws. To this extent, the Participant shall obtain necessary consents under Applicable Law for such continued use of the information by ONDC.

8.5.4. Each Party shall promptly return or destroy the Confidential Information relating to the other Party, as may be requested by the other Party.

8.5.5. The Participant's account in the ONDC Network shall be immediately deactivated, and the Participant will cease to use or access the ONDC Network, ONDC Marks or any related services provided, including but not limited to optional tools or features provided by ONDC. Additionally, ONDC will also cease to use any Participant's Marks upon termination except as provided in the clause 8.5.3 above.

8.5.6. The Participant will clear any pending payments within 30 days from the date of termination.

8.5.7. The Network Participant shall not disclose or divulge, either directly or indirectly, any information regarding the ONDC Network which is not available on the public domain.

9. GOVERNING LAW AND DISPUTE RESOLUTION

9.1 This Agreement shall be governed by the laws of India for the time being in force

9.2 Any dispute arising under, in connection with, or incidental to this Agreement or the ONDC Network Policy, or about their interpretation, including as to their existence, validity, performance, breach or termination, if not resolved within thirty (30) days through discussion between the Parties, will be referred to and resolved by arbitration.

9.3 Arbitration will be conducted by a sole arbitrator, to be mutually appointed by the Parties. If the

Parties fail to appoint the arbitrator, the arbitrator will be appointed in accordance with the provisions of the Arbitration and Conciliation Act, 1996 (“**Arbitration Act**”), as may be in force from time to time. The arbitral award shall be final and binding upon the parties.

- 9.5 In the event of death, refusal, neglect, inability, or incapability of the person so appointed to act as an arbitrator, the party shall mutually appoint the new arbitrator.
- 9.6 The arbitration proceedings will be conducted in English and the venue and seat of arbitration will be New Delhi, India. The courts at New Delhi shall have the exclusive jurisdiction for all arbitral applications.
- 9.7 The cost of the arbitration, including fees and expenses of the arbitrator, shall be borne by the party at fault, unless the award otherwise provides.
- 9.8 The existence of any information relating to any such arbitration proceedings will not be disclosed by either ONDC or the concerned Network Participant(s).
- 9.9 Notwithstanding the foregoing, any party may seek injunctive relief from the courts with exclusive jurisdiction for any actual or alleged infringement of such party’s its Affiliates’ or any third party’s intellectual property or other proprietary rights.
- 9.10 It is clarified that the transactions on the ONDC Network will be between the End Users, and between the Participants. The Participants agrees that ONDC would not be a party to any dispute arising between the Participants or with the End Users.

10. MISCELLANEOUS

- 10.1 **Assignment:** The Participant shall not assign or transfer the whole or any part of this Agreement or any benefit, interest, obligation, or liability in or under this Agreement without the prior written consent of ONDC. However, the Participant may assign or transfer this transfer this Agreement, in whole or in part, (i) pursuant to an order or direction issued by a court or Competent Authority, or (ii) to any of its group companies, provided that: (a) ONDC is notified in writing at least thirty (30) days in advance of such proposed assignment or transfer; (b) the original Participant shall remain jointly and severally liable for all obligations accrued prior to such assignment or transfer; (c) the proposed assignee or transferee undertakes to perform the Agreement and be bound by its terms in every way as if it were the original Party to the Agreement in place of original Participant; and (d) ONDC reserves the right to verify the eligibility of the proposed assignee or transferee in accordance with its prevailing policies, request additional information, and accept or reject the proposed assignment or transfer based on such verification. ONDC shall exercise this right in a timely and reasonable manner and shall not withhold or delay its decision without valid cause. ONDC will have the rights to assign or transfer this Agreement, in whole or in part, including the rights and obligations and duties in this Agreement to any person or entity in case it is legally required under any law or as directed by Competent Authority.
- 10.2 **Force Majeure:** Notwithstanding anything else contained in this Agreement, ONDC shall not be liable for any damages, loss of profit or business, whether direct or indirect, whatsoever arising out of Force Majeure Events or other similar circumstances, directly or indirectly affecting ONDC and/or the ONDC Network. Force Majeure Events or other events beyond ONDC’s control that causes any hindrance, delay, or complication in the maintenance of the ONDC Network or related services entitles ONDC to suspend or limit access to the ONDC Network and related services until further notice.

- 10.3. **Severability:** If any term, provision, or covenant contained in this Agreement or the application thereof to any person or circumstances shall, to any extent, be construed to be invalid or unenforceable in whole or in part, then such term, provision or covenant shall be construed in a manner as to permit its enforceability under the Applicable Law to the fullest extent permitted by law. In any case, the remaining provisions of this Agreement or the application thereof to any person or circumstances, other than those to which they have been held invalid or unenforceable, shall be deemed to be severed from this Agreement and shall remain in full force and effect.
- 10.4. **No Waiver:** The failure of ONDC to exercise or enforce any right or provision of this Agreement shall not constitute a waiver of such right or provision.
- 10.5. **No Implied Terms:** Each Party acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by the other Party, or anyone acting on behalf of the other Party, which are not embodied herein and that pertain to the matters covered by this Agreement.
- 10.6. **Amendment:** ONDC reserves the right to change, modify, amend, or update this Agreement from time to time, in accordance with the terms and process defined under the Network Policy. Any such amendment or modification or updation shall take effect in the manner specified in the Network Policy, including the requirement of its publication and notification to Participants. A reasonable time period shall be provided for the implementation of such amendments or modifications or updations, wherever applicable. If any such amendment or modification or updation is not acceptable to the Participant, the Participant may terminate this Agreement with immediate effect, provided that (i) such termination notice is served within fifteen (15) days from the date of notification of the amendment or modification or updation, and (ii) the Participant has fulfilled all its obligations under this Agreement, including those set out in Clause 8.5 of this Agreement. If the Participant does not serve termination notice within 15 days from date of notification of amendment or modification or updation, the Participant will be deemed to have accepted such amended or modified or updated provisions of this Agreement.
- 10.7. **Survival:** The provisions of Clause 4 (Intellectual Property Rights), Clause 5 (Representations and Warranties), Clause 6 (Indemnification), Clause 7 (Limitation of Liability), Clause 8 (Term and Termination), Clause 9 (Governing Law and Dispute Resolution) and other representations, warranties, covenants, and provisions contained herein that by their nature survive or are required to supplement the above mentioned Clauses for making them effective, shall survive the expiry or termination of this Agreement.
- 10.8. **Language:** The language of this Agreement and all oral and written communication related to this Agreement, including all deliverables, reports and other documents required to be submitted in accordance with this Agreement, shall be in English.
- 10.9. **Notice:** The Participant must send all notices and other communications relating to ONDC Network by email, the contact us forms, or similar means specified by ONDC. ONDC may also communicate with the Participant in connection with their platform electronically and through any other media, and the Participant consents to such communications. For contractual purposes, the Participant consents to receive such communications through any mode including e-mail. Any notice, demand, or other communication given or made under this Agreement shall be in writing and shall be deemed effectively given when sent to the last notified

address by (a) electronic mail on the date on which the electronic mail is sent, or (b) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification.

- 10.10. **Relationship:** The relationship between ONDC and the Participant is that of independent contractors dealing at arm's length and nothing in this Agreement shall constitute the Parties as partners, joint venture, or co-owners, or constitute either Party as the agent, employee, or representative of the other.

IN WITNESS WHEREOF, the Parties have agreed to this Network Participant Agreement through electronic acceptance or by execution by their duly authorised representatives.

For Open Network for Digital Commerce

For

Name: Krishan Agarwal
Designation: CFO
(Authorised Signatory)

Name:
Designation:
(Authorised Signatory)

ANNEXURE A

DEFINITIONS

In this Agreement or the Network Policy, unless the context otherwise requires capitalized terms shall have the following meanings:

Applicable Law shall mean any and all laws, including but not limited to the Consumer Protection Act, 2019, Consumer Protection (E-Commerce) Rules, 2020, Information Technology Act, 2000 and rules framed thereunder, Legal Metrology Act, 2009 and rules framed thereunder, Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, Foreign Direct Investment Policy, other statutes, directives, regulations, decisions, legislations, regulatory rules, orders, judgments, decrees, frameworks, code of practice, guidelines or industry standards as issued by Government of India, any State Government in India and/or any other statutory and regulatory authority in India from time to time and are applicable to a Party, the services and /or arrangements covered under the Agreement.

Applicant means a person as defined in the chapter of the Network Policy titled “Onboarding, compliance requirements and certification requirements”.

Buyer Side Applications / Buyer Apps means all platforms or applications which enable the Customer to purchase any goods or avail any service on the ONDC Network.

Competent Authority means the government of any country and includes the Government of India, or any Central or State Government,; any person, authority or body exercising governmental, political, executive, legislative, quasi-judicial, regulatory, statutory or tax authorities or administrative functions of or pertaining to government, including any government or local authority, regulatory authority, court, tribunal or arbitral tribunal, agency, department, board, commission or instrumentality of India.

Confidential Information of each Party shall mean any and all information and data relating to Customers, End-Users, Sellers, Service Providers, payment information, documents, software or application or other proprietary material, experience and know-how, dealings, transactions, or affairs of or relating to such Party disclosed or shared by such Party with the other Party in relation to the Agreement, whether or not marked as confidential.

Customer / Buyer shall mean the registered users of the Buyer App accessing the ONDC Network to purchase any good or avail any service offered by Sellers on the Seller App.

End User shall include a Customer, Seller or a Service Provider who is registered with the respective Participant.

Force Majeure Events shall mean events such as the occurrence of a fire, flood, earthquake, embargo, labour dispute, strike, act of sabotage, terrorism, riot, civil unrest, accident, war or threat of war, act of God or public enemy, pandemic or epidemic or lockdowns or other government actions or any other similar cause beyond a Party's reasonable control, when such event impacts a Party's obligations to perform its obligations under the Agreement.

Gateway shall mean the technology provider that will ensure discoverability of all Sellers in the ONDC Network by multicasting the search request received from Buyer App to all Seller App and vice-versa, based on criteria, including but not limited to, location, availability, and other customer preferences as provided for in the Network Policies of ONDC

Goods and Service Tax or GST shall mean the Tax or cess levied under GST Laws by the Competent Authority in the Republic of India on supply of goods or services or both.

GST Laws shall mean the Central Goods and Services Tax Act, 2017, the relevant State Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the relevant Union Territory Good and Services Tax Act, 2017 and the Goods and Services Tax (Compensation to States) Act, 2017 and the rules and regulations framed thereunder.

INR shall mean Indian Rupee.

Interfacing shall mean the establishing ONDC- API communication of the Participant's systems with ONDC Network by adhering to ONDC Specifications to enable transactions on ONDC Network and the terms, Interface, Interfaced, Interfacing shall be construed accordingly.

Intellectual Property means and includes any and all copyright, script, story, sound recording, audio-visual recordings, images, pictures, music, lyrics, titles, slogans, and all other artistic, literary, dramatic, vocal and musical materials, including any cinematographic films or recordings, background score, song elements; trademarks, tradenames, domain names, service marks, brands, designs, including all set designs, production designs, costume designs; goodwill, know-how, concepts, ideas, and all other intellectual property and other ancillary assets as recognised under Applicable Law, and in industry usage or otherwise.

Intellectual Property Rights or IPR shall mean all past, present, and future rights of the following types, which may exist or be created under the laws of any jurisdiction in the world: (a) rights associated with works of authorship, including exclusive exploitation rights, copyrights, moral rights, and mask work rights; (b) trade secret rights; (c) patent and industrial property rights; (d) trademarks, service marks, logos, and trade name and product name rights and similar rights; (e) other proprietary rights in intellectual property of every kind and nature; and (f) rights in or relating to registrations, renewals, extensions, combinations, divisions, and reissues of, and applications for, any of the rights referred to in clauses (a) through (e) of this sentence.

Insolvency Event shall mean in relation to a Person, shall mean where:

1. such Person is unable, or is deemed by any court or tribunal of Competent Authority to be unable, or admits in writing its inability, to pay its debts as they fall due; or
2. any action, legal proceedings or other procedure or any step is taken in relation to:
 - (a) the suspension of payments, moratorium of any Indebtedness, winding-up, dissolution, administration, provincial supervision, or reorganisation (by way of a voluntary arrangement, scheme of arrangement or otherwise) relating to such Person; or

- (b) the appointment of a receiver, administrative receiver, interim resolution professional, resolution professional, liquidator, official liquidator, administrator, compulsory manager, provincial supervisor, or similar officer in respect of such Person or substantially all of its assets or undertakings; or
 - (c) enforcement of any encumbrances created by such Person on its assets or undertakings; or
 - (d) the passage of a resolution by the members of the Person to initiate a voluntary liquidation process in relation to the Person; or
 - (e) filing of a petition or application for insolvency of the Person before any Competent Authority, which is not dismissed by the Governmental Authority within 30 days from the date of such filing, or, with respect to a natural Person, declaration of bankruptcy of that Person; or
 - (f) or any analogous procedure or step is taken in any relevant jurisdiction.
3. any expropriation, compulsory acquisition, nationalisation, attachment, sequestration, distress, or execution over any assets of such Person is undertaken.

Network Participants / Participants shall mean the participants on the ONDC Network including Gateways, Buyer Side Application, Seller Side Applications, NP-ISN, NP-MSN, and NP-BN.

Network Participant- Inventory Seller Node (NP-ISN) is an entity who is registered on the ONDC network and acts as the “seller on record” with respect to the goods and services offered by them to any buyer accessing the Network from any NP-BN (defined below) from their own inventory which is either from their own production or obtained procured from other merchants / service providers.

Network Participant- Market Place Seller Node (NP-MSN) is an entity who is registered on the ONDC network and represents itself and acts as the marketplace with respect to the goods and services offered by third party merchants / service providers to any buyer accessing the Network from any NP-BN. In this case the NP-MSN will not be “seller on record”, but the third-party merchants/ service providers will be the “seller on record”

Network Participant – Buyer Node (NP-BN) is an entity registered in the ONDC network and enables any person to search for and buy products or services on the ONDC network from any NP-ISN / NP-MSN.

Network Policy shall mean the policy framework developed by ONDC in consultation with various Network Participants to lay out the rules and code of conducts that all Network Participants must ensure compliance with. ONDC may update the said Network Policy from time-to-time.

ONDC-Application shall mean the Buyer Side Applications and Seller Side Applications developed and deployed by the Participant for providing services as part of ONDC network to their clients, or both, as may be applicable.

ONDC - Application Programming Interface (ONDC-API) shall mean application programming interface compliant with ONDC Specifications, including protocols, specifications and related documentation provided by ONDC.

ONDC Marks shall mean the relevant trademarks and /or service marks, brand names, trade names, whether registered or unregistered, owned, or licensed, and any other marks as provided in writing by ONDC.

ONDC Network shall mean the open, interoperable network established, facilitated, managed, made available and owned by ONDC for enabling digital commerce.

ONDC Registry shall mean a digital list continuously updated and maintained by ONDC for the benefit of the various users with digital access enabled through open APIs for easy integration. There would be multiple registries including but not limited to the registry of Participants, Policies, Sellers etc.

ONDC Protocol Specifications shall mean the functional and technical specifications and API for the Participants and Gateways *procedures* and protocols prescribed by ONDC that are necessary to enable transactions on the ONDC Network, which shall be provided by ONDC to the Participant.

Participant's Marks shall mean the relevant trademarks and /or service marks in relation to the Agreement or Network Policy as provided to ONDC by the Participant in writing from time to time.

Party shall mean either ONDC or the Participants that enters into the Agreement and shall collectively be referred to as the **Parties**.

Person shall mean any individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organisation, body corporate, corporation, company, limited liability partnership, limited liability company, joint venture, Competent Authority, trust or any other entity or organisation and a natural person in his capacity as trustee, executor, administrator, or other legal representative.

Product shall mean any goods or services made available for sale and purchase by the Participants through ONDC network.

Seller shall mean any seller registered with a Seller Side Network Participant to offer products or services through ONDC network, including service provider as defined under the Consumer Protection Act, which can be searched for, discovered, and procured by Buyers registered with Buyer Side Applications.

Seller Side Applications / Seller App means all platforms or applications of Network Participant NP - ISN/ MSN that, which allows the sellers to publish their product/ service inventory, pricing, and other terms of transaction and enables the sellers or any other service providers, including but not limited to logistics service providers, to transact on the ONDC Network.

Technology Service Providers (TSP) shall include entities who provide a software application (either stand alone or through cloud) and who do not act or represent as a marketplace to the potential or actual buyers, but only as an outsourced software provider to

the NP-ISN, NP-MSN or NP-BN. Any other services to the NP-ISN, NP-BN or NP-MSN related to their business offered by TSP and procured by NP shall be a private arrangement between these parties and will not form a part of ONDC network agreement and policies.

Tax or Taxation means all forms of taxation, impositions, duties, imposts, contributions and levies in the nature of taxation including without limitation income tax, transfer taxes, withholding tax, value added tax, sales tax, central sales tax, service tax, goods and services tax, customs and excise duties, other legal transaction taxes, real estate taxes, other municipal taxes and duties, and any other type of taxes and duties, or any future tax which is in lieu of, or supplants or replaces any such tax together with any interest, penalties, surcharges, cess or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed by any Competent Authority and Taxes means all of them.

Transactional Documents shall mean the Agreement, the Network Policy, the other terms and conditions, any document incorporated by reference into any of the foregoing including any other agreement.