



Ease of Doing Business **through** Digital Transformation

Annexure - Reference for BRAP for States



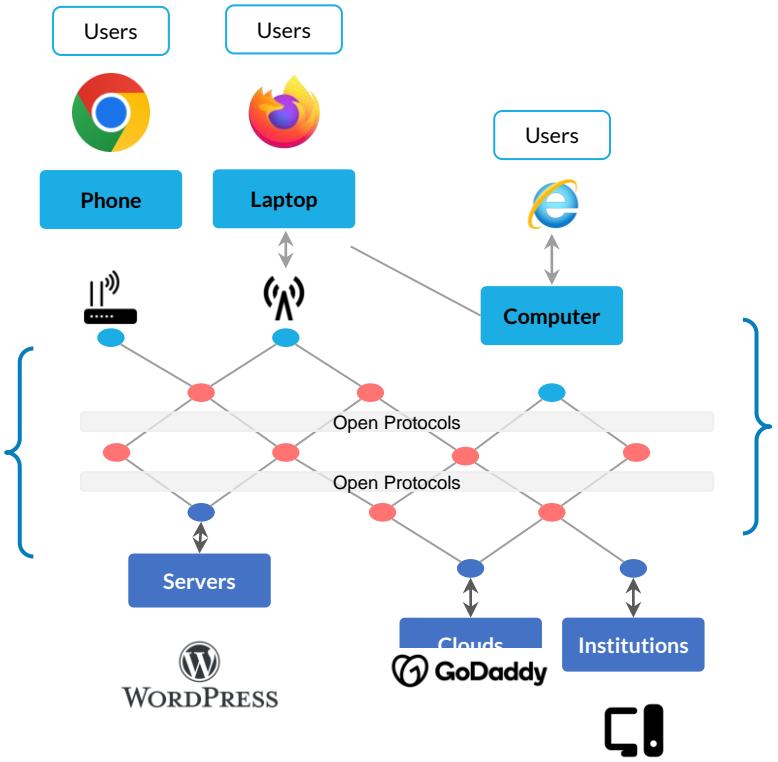
1. Basics of ONDC

Understanding ONDC



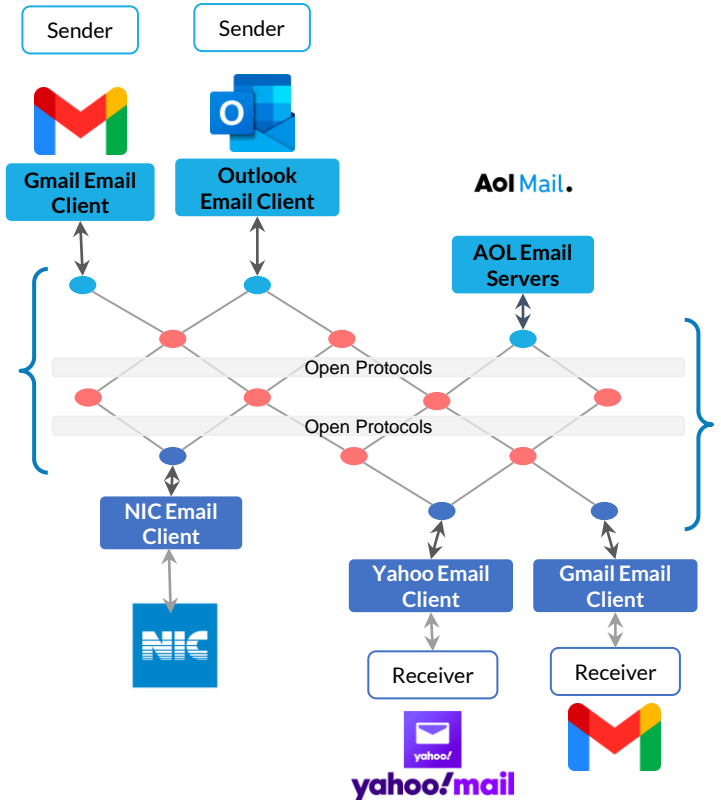
Internet & email are interoperable networks based on open protocols

Information Exchange



Internet: Hypertext Transfer Protocol (HTTP)

Message Exchange



Email: Simple Mail Transfer Protocol (SMTP)

Despite COVID Pandemic & Internet Penetration giving a large push to e-Commerce, it's **limited to the elite**

Majority of trade & commerce is not digitally enabled



Digital Commerce is only

5-6%

of overall commerce in India.

well below China (25-30%), Indonesia (20-25%)

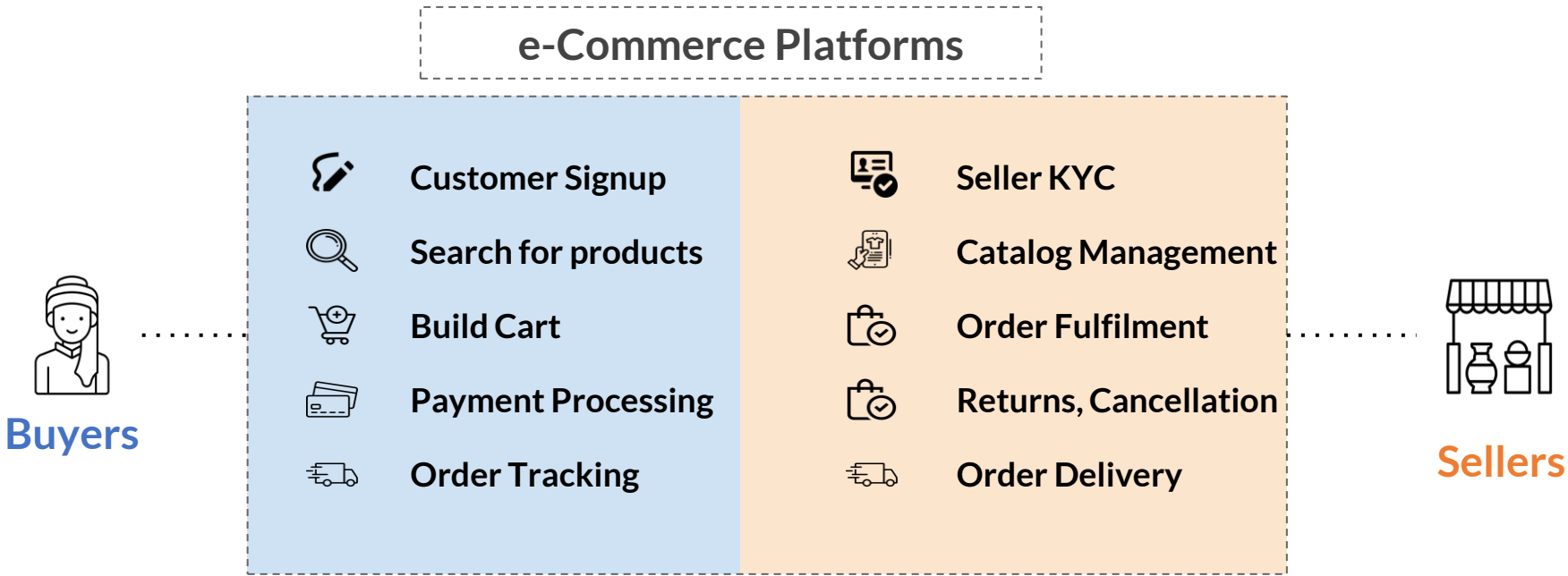
On the seller side,

<2%

of sellers make their products or services available online

e-Commerce platforms work **in their interest**, neither for buyers nor sellers using proprietary technology

All e-Commerce marketplaces have at least 2 apps/platforms: Buyer side & Seller side, which are Digitally Linked



This **market concentration** has led to adverse effects across domains and sectors



High **entry barriers** for new players



Limited **innovation**



Buyer/seller **captivity**



Limited avenues for buyers & sellers



Information asymmetry leading to **market inefficiencies**



Increasing Cost of Operations & Growth

Digital market concentration and inequity are **Global issues**

Digitally mature markets have attempted to address these challenges through **regulation**



UK's **Digital Markets, Competition and Consumers Bill**, currently under review, aims to promote competition, protect consumers & regulate digital platforms



US is attempting to use **American Innovation and Choice Online Act** & Anti-trust Regulation to combat concentration in eCommerce



EU passed the **Digital Markets Act** to try address the problems of a few platforms becoming gatekeepers of digital markets

India is leading the world in solving these global problems using Technology and Market Participation.

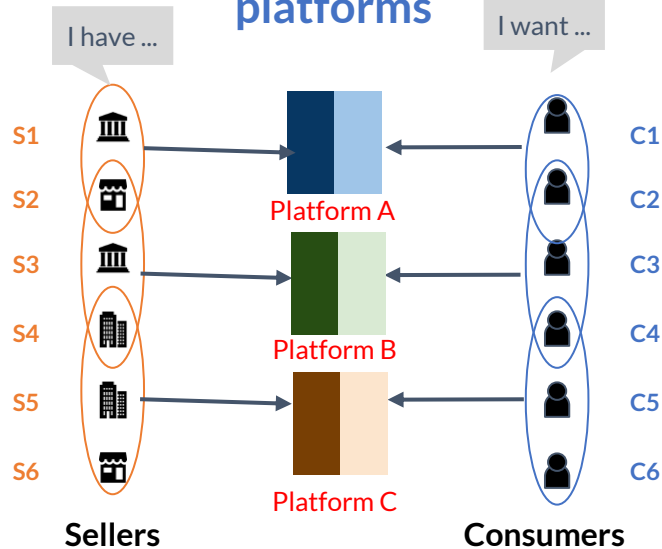
ONDC is a sustainable model of building digital commerce for markets which are rapidly digitising.

There is a clear need to shift from a platform-centric approach to a **Network-based approach** i.e. ONDC

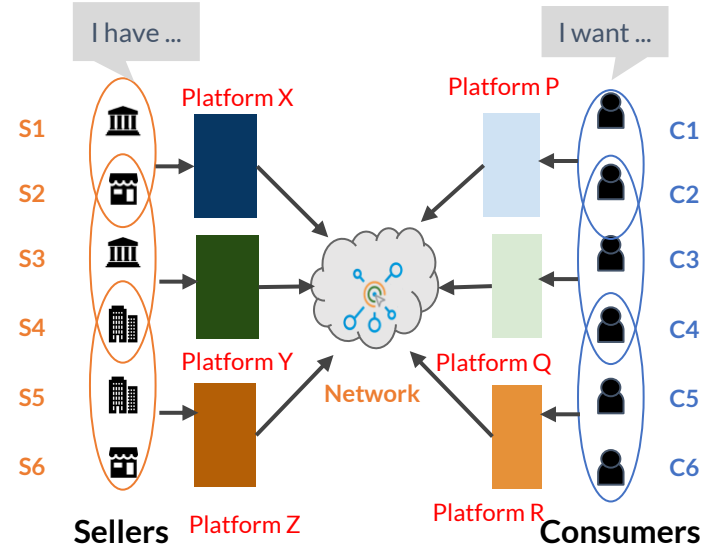
UN-BUNDLING

INTER-OPERABILITY

From: siloed, strictly controlled platforms



To: transactions enabled across platforms



Demystifying ONDC

ONDC is...

- ✓ An open network, capability, infrastructure
- ✓ Infinite models, fertile for innovation
- ✓ Eliminates need for central intermediary
- ✓ Market and Community led initiative

ONDC is NOT ...

- ✗ An application, a platform, a product
- ✗ A single model
- ✗ A central intermediary
- ✗ A regulator

ONDC unlocks Efficiency, Scale & Benefits for All Participants



FOR BUYERS

- Single platform accesses all domains
- Access all sellers in each domain
- Unified experience
- Wider options for price, delivery, add-ons
- Faster hyper-local fulfilment
- Buyer experience key differentiator



FOR SELLERS

- Discoverable by entire buyer universe
- Maintain one-time, single registration
- Low cost access to complete value chain
- Autonomy on rules & terms
- Increased profitability
- Business enhancement analytics
- Portable network-wide reputation
- No disintermediation risk



FOR TECHNOLOGY COMPANIES

- Maximise value of your technology
- Innovate to your strengths
- Monetisation opportunity on transactions
- Less time-to-scale
- Enhanced platform loyalty

ONDC is designed to enable ANY catalogue-able product or service to transacted








It began with...

-  Grocery & FMCG
-  Food & Beverage
-  Ride Hailing

Now it also has...

-  Education, Skilling & Training
-  **Exports**
-  Beauty & Personal Care
-  Fashion & Apparel
-  Electronics & Appliances
-  Agri Products
-  Home & Kitchen
-  Health & Wellness
-  Metro Ticketing
-  **B2B**

In Early stages...

-  Insurance
-  Loans
-  Mutual Funds
-  Ticketing
-  Travel
-  Digital Subscriptions
-  Video-on-Demand & Digital Content

In pipeline

-  Legal Services
-  Repair, Maintenance & At-home services
-  Automotive Supplies
-  Sports Equipment
-  Warehousing
-  Fiber & Yarns

... and many more

... with Foundational Building Blocks to Increase Efficiency & Effectiveness of Digital Commerce



Warehousing as a Service



Supply chain optimisation



Open data & analytics



Rating & Scoring



eKYC & eKYB services



INDIC Languages



Fraud Management



Catalogue as a Service



Consent & eSign



Loyalty

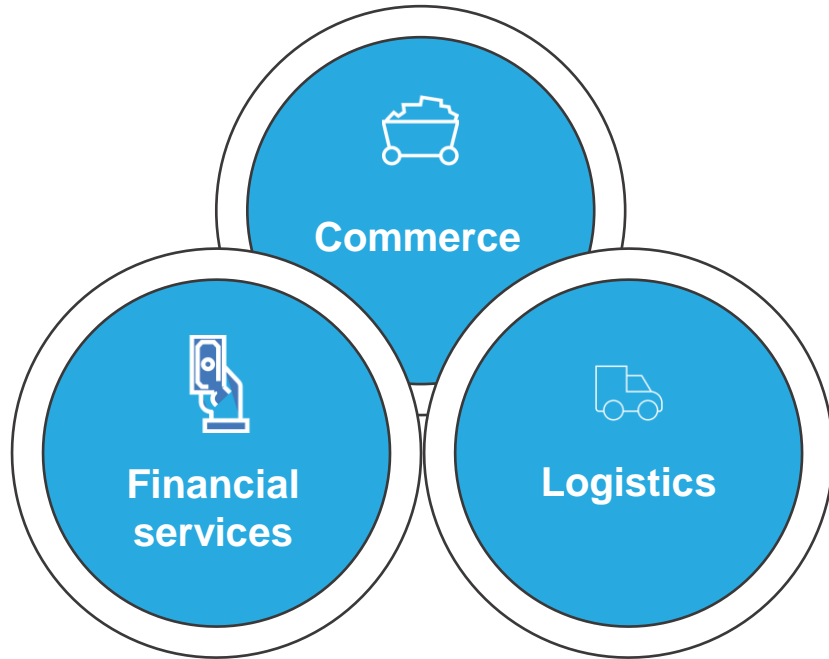
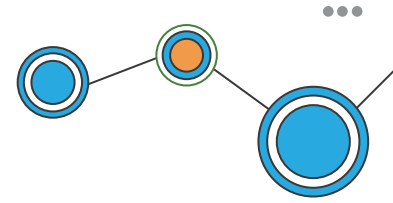


Issue & Grievance



Credentialing

And trigger various Innovations across sectors..



Cheaper Credit,
Wider Discovery &
Better Logistics
will commoditize the Supply
chains to unlock value for all

... providing ample avenues for the Startup Ecosystem to Collaborate & Contribute

Building ONDC Protocol



Building ONDC Network

Building for ONDC Network Participants



RETAIL



F&B



MOBILITY



JOB/GIGS



LOGISTICS



FINANCIAL SERVICES



- Protocol enhancement
- Use cases enablement
- Domain/ Category enablement
- Gateway
- Reference sandboxes
- Reference apps
- SDKs, Tools & Utilities
- Registry

- Adapters & Plug-ins
- Reconciliation & settlements
- Voice digital commerce
- Catalog optimization
- Credentialing
- Multi-modal logistics
- Multi-sectoral apps
- Online Dispute Redressal
- P2P Commerce
- D2C
- Invoicing
- Observability & Analytics

- Omnichannel commerce
- Open source maps
- Search as a service
- Catalogue Management
- KYC & KYB Services
- AI on decentralized data
- Data wallet services
- Badging & Reputation Services
- Natural Language Support
- Indic Language

ONDC has seen a significant growth in transactions...

Monthly Orders

1,000+

50 Lakhs +

1.5 Crore +

Beginning of 2023

Beginning of 2024

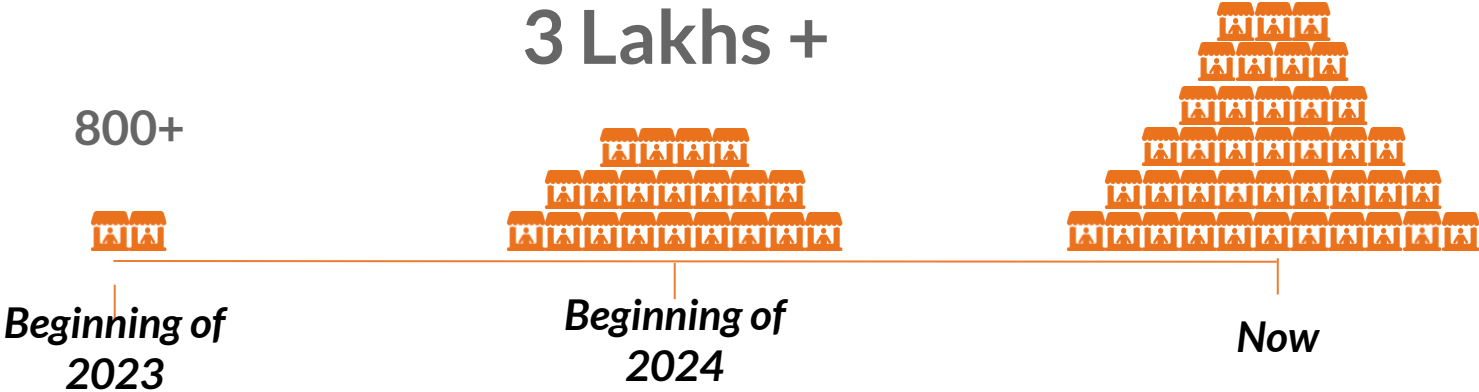
Now

Sellers & Service Providers have increased multifold

7 Lakhs +

60% are small sellers and service providers

Sellers &
Service
Providers



ONDC has footprint pan India, with **critical density of sellers and products** becoming available on the network

Unique cities with **transactions**

1,300+

Unique cities with **sellers**

600+

Tier 2+ cities contribute

40%

of retail orders



ONDC is bringing online diverse products from across India which were not available online

ONDC's "**Amazing India**" program showcases unique products from farmers and social sector sellers

Govt. Emporiums/PSUs	100+
Social enterprises & NGOs	100+
FPOs & O-FPOs	5,000+
Self Help Groups	200+
Weaver/ Artisans group	600+

AMAZING INDIA

Discover India's Richness Through
Authentic Treasures

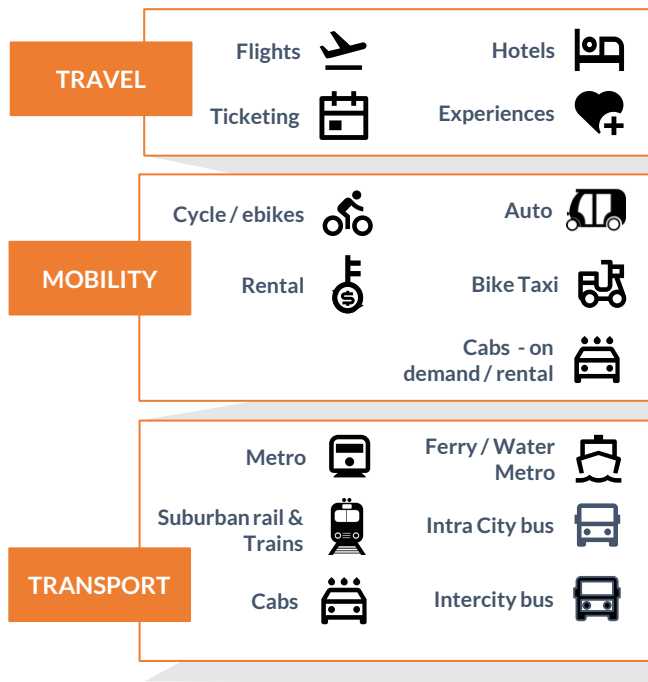


Different models are being adopted for aggregated & disaggregated social sector sellers - from National Emporiums to Rural Entreprises

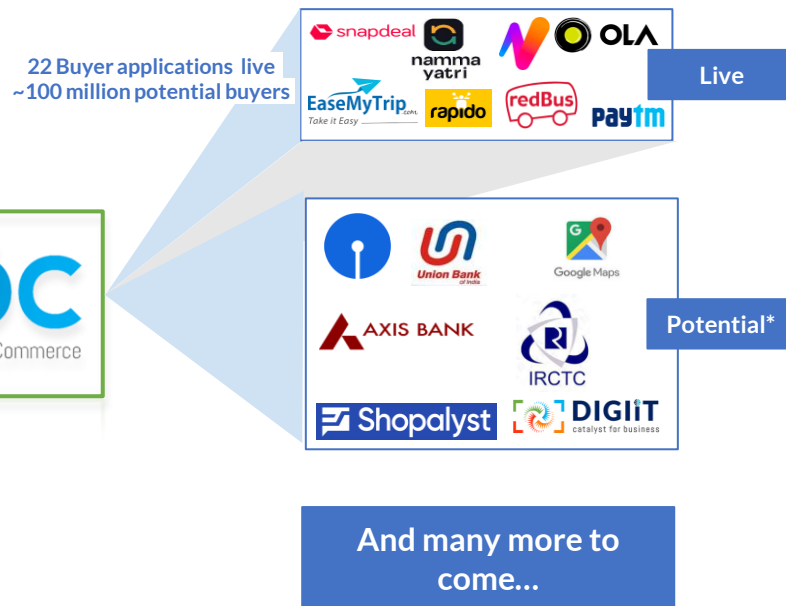
Seller Type	#	1.7 Lakh+	1.3 Lakh+	10,000+
		Producers & Artisans	Products	Orders
Govt. Emporiums/PSUs <i>Indirect Impact to 20 Lakh artisans/weavers</i>	30+			
Social enterprises & NGOs	40+			
Micro Enterprises	700+			
Off/Farm producer org.	3500+			
Self Help Groups	100+			
Weaver/ artisans group	450+			

ONDC is transforming Travel & Tourism, & Enabling seamless Multi-Modal Transport Systems

Seller Apps bring diverse inventory to the network



Buyer Apps will bring demand & customer focus to bundle diverse inventory available on the network



*All logos for illustration only

ONDC is enabling **Financial Inclusion** for the underserved & Providing new products | Choices for Buyers

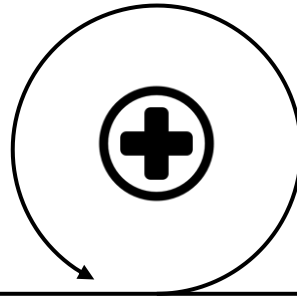
ONDC has initiated the work in financial services across 3 categories



CREDIT

Individuals: Unsecured Personal Loans

Sole Proprietors: GST data powered
MSME Seller Financing

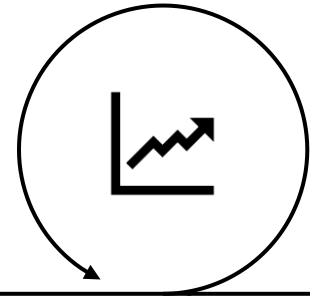


INSURANCE

Motor Insurance

Health Insurance

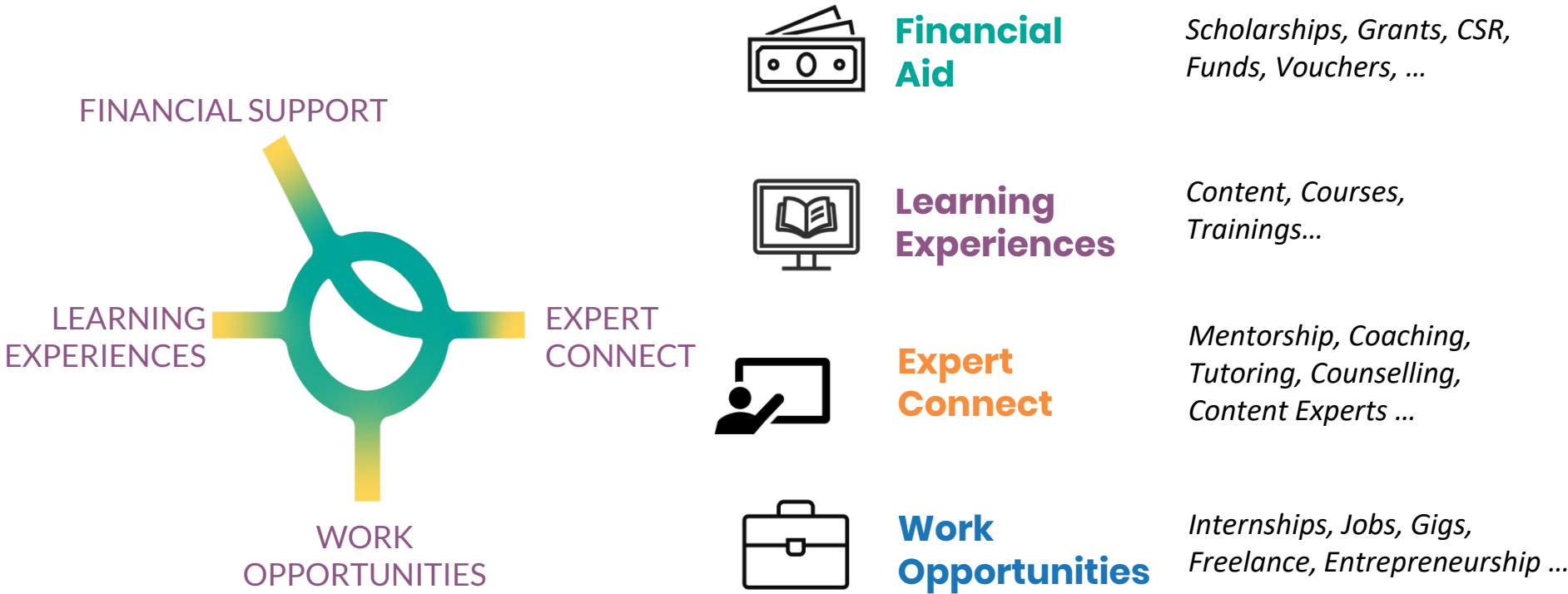
Marine Insurance



INVESTMENTS

Mutual Funds

ONDC is facilitating connections to **Skilling, Learning & Livelihood Opportunities**



... and have a **Multiplier Effect** on India's economy

ONDC will enable at **5-fold rise in**
India's digital consumption to **\$340 bn**

- McKinsey, [Democratizing Digital Commerce in India](#)

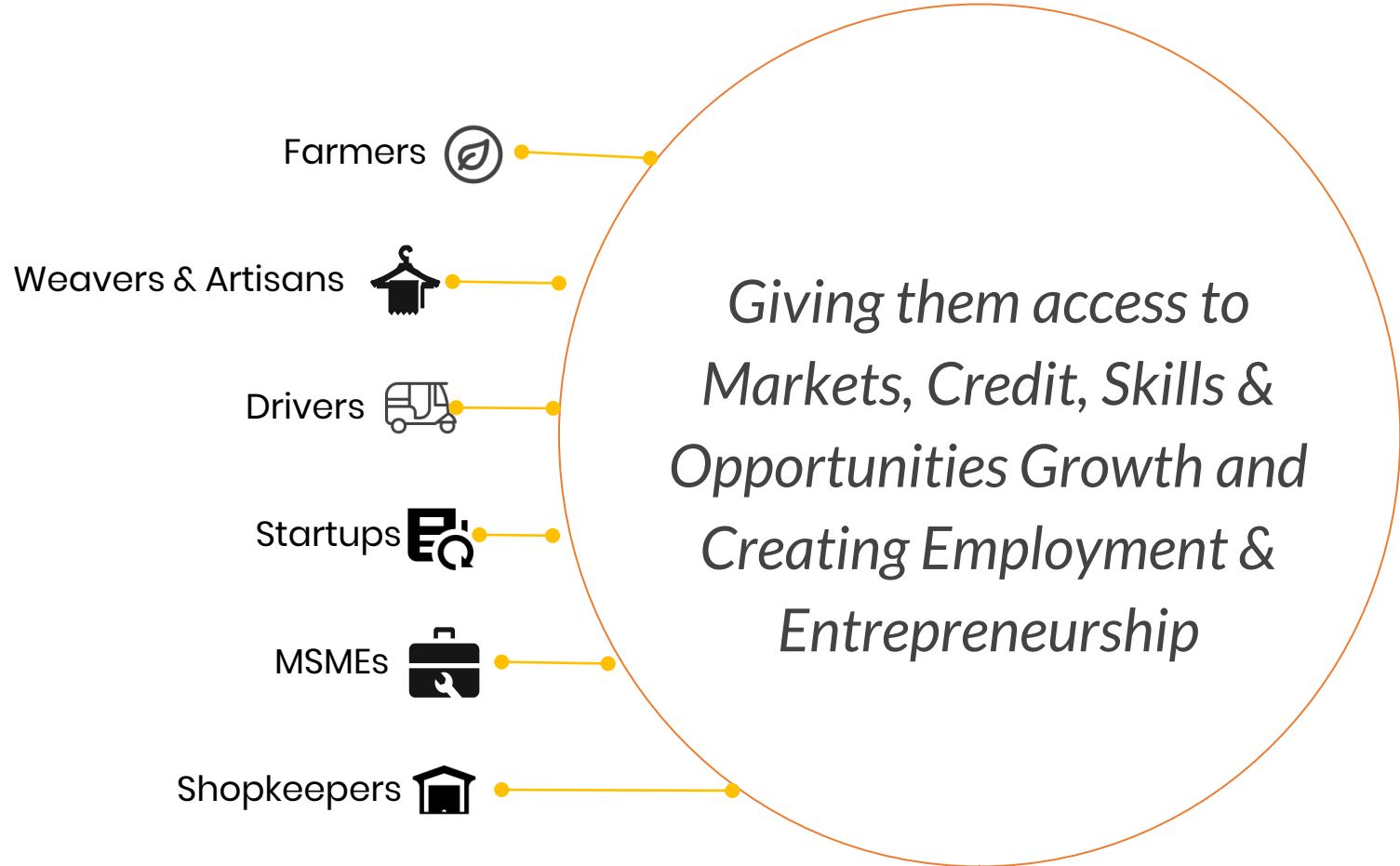
ONDC will unleash
\$80 Billion
opportunity for startups

- [Antler, India's next startup catalyst report](#)


ONDC poised to democratise
e-com, generate **\$250-300**
bn in GMV

- [Redseer](#)

The impact of ONDC goes beyond conventional e-Commerce...



Ministry of Agriculture has been an early pioneer in delivering outcomes for FPOs by leveraging **Capacity Building & Demand Generation**



Flour

Black wheat atta

Mithlalachal FPCL
Patna, Bihar

₹ 90 | Qty: 1 kg

Black wheat flour, made from premium quality black wheat. A gluten-free, non-GMO, high-fiber, and low-carb option. It's super healthy, packed with antioxidants & fiber that are great for your body.

[Click here to order](#)

Capacity Building

Digital Commerce Readiness

- Order Management
- Inventory Management
- Operational support
- Packaging Training

Demand Generation

- FPO Melas
- Social Media Campaigns
- Digital Media (Radio, DD, deep-linked PDFs)

FPOs are now increasingly driving local demand generation using posters & QR Codes

25 Lakh+ farmers
are connected to ONDC



United by ONDC

9 FPOs from Dinajpur, West Bengal came together to promote their products in e-rickshaws. Collectively they have received **14,000+ orders** on the ONDC network.

Weavers are using ONDC to **cut out middlemen and create livelihoods**



Sri Vidhya Handlooms achieved pan-India market access and credibility through ONDC, inspiring the community's younger generation to embrace the digital scaling of the business.

Transitioned from traditional sales to e-commerce, expanding product listings from **20 to 900**, and stabilizing at **400** enhanced digital catalogues.

Accumulated over **1200 orders**, demonstrating the potential of digital networks like ONDC to elevate traditional businesses in the marketplace.

Inspired the **younger generation** within the community to **pursue digital expansion**, increasing business scalability.

Drivers have been able to **increase their earnings due to low commissions** and higher efficiencies



Narsappa A Elevating Dreams and Living Standards

Narsappa A's story began later, starting his career as a driver between 2018 and 2019. His financial journey took a turn for the better when he joined Namma Yatri in November 2022. Transitioning from an **annual income of Rs. 2,20,000 to Rs. 5,00,000**, Narsappa experienced more than just an increase in earnings. The improved financial stability allowed him to **uplift his family's standard of living** and support their dreams more comfortably. For Narsappa, driving for Namma Yatri **has been more than a job; it has been a gateway to a better life**, marking a noticeable improvement in how they live and dream.



Rajalakshmi From Passion to Ownership

For Rajalakshmi, auto driving was always more than a profession—it was a passion. Beginning her driving career in August 2023 and quickly transitioning to Namma Yatri by October of the same year, she saw her earnings **double from Rs. 10,000 to Rs. 20,000 per month**. This significant boost in income not only affirmed her love for driving but also enabled her to achieve a long-held dream: purchasing her own electric auto. Rajalakshmi's story is a powerful testament to how a passion, when paired with the **right opportunities, can lead to substantial personal and professional growth**.

M/o MSME has launched TEAM scheme to support SMEs onboard ONDC



एमएसएमई टीम पहल
MSME TEAM Initiative



MSME TEAM (Trade Enablement & Marketing) Initiative

[Register Now >>](#)

Ensuring Expansion of Market Reach & Wider Customer Base for MSEs by reducing the cost of doing business through e-commerce enablement, powered by the Open Network for Digital Commerce (ONDC).

This initiative supports MSEs in adopting digital commerce, creating opportunities for growth, and connecting them with a wider customer base across India.

Benefits of Registration

[More Details >>](#)

Process Overview

[More Details >>](#)

Eligibility Criteria

[More Details >>](#)

Steps to Register

[More Details >>](#)

50% of the beneficiaries would be women-led MSEs

M/o of Rural Development is using its own digital system to bolster Lakhpati Didi Program and National Rural Livelihoods Mission with ONDC



- ✓ MoRD has integrated its ecommerce platform - eSaras.in as a **seller network participant** on the ONDC Network.
 - Plan to support SRLMs to digitise and join ONDC in the next phase of tech development.
- ✓ Live with approx. 800 products ranging in Home Decor, apparel & clothing etc.
- ✓ Enabling operations through a central warehouse in Delhi-NCR to ease **cataloguing, operations and reduce GST burden** on small sellers.
- ✓ Dedicated **PMU to drive demand generation**.
- Working with ONDC to pilot same-day delivery of products in Delhi-NCR.

Himira: Empowering Female & Nano Entrepreneurs of Himachal Pradesh using Hub-n-Spoke Model for Aggregation & Demand Generation



- ✓ HPSRLM wanted to support **fringe-of-the-economy sellers**, particularly women, to market their unique “**Homemade & Handmade**” products effectively.
- ✓ Himira became an Inventory Seller NP on ONDC using a ONDC TSP.
- ✓ Also created a **local fulfilment center** near Shimla in Mashobra to ensure that **local village entrepreneurs** get access to a center where they can go with their local produces and supply them to all corners of our country.
- ✓ Local fulfilment center is equipped with requisite material & trained staff to **perform quality checks, assist the women entrepreneurs to pack items themselves** thus ensuring **Empowering Women Entrepreneurs**
- ✓ Model being scaled into multiple districts after initial success.

Andhra Pradesh: Using whole-of-Government approach to drive digital adoption with ONDC

AP Government has onboarded

10K+ products

from

3K+ first-time digital sellers

to ONDC in

2 months

across

**12 state government
departments**

- ✓ **All departments** in Andhra Pradesh given the mandate to empower their beneficiaries (Fisheries, Farmers, SHGs, traders, local industries, transport associations, startups etc.) through ONDC.
- ✓ Departments using multiple seller participants basis their needs to onboard sellers and products.
- ✓ **District Collectors and Municipal Commissioners** being trained to boost digital commerce through ONDC and drive adoption at the local level.
- ✓ MEPMA (Mission For Elimination Of Poverty In Municipal Areas) has identified “lead sellers” in local regions to support sellers in their area to onboard and create catalogs.

MSMEs get national digital market access on their own terms through ONDC, accelerating their growth



KalpNil Naturals, founded by Kalpana Mali in Maharashtra, produces cold-pressed oils and transitioned to ONDC in April 2023.

KalpNil Naturals expanded to 44 cities via ONDC, boosting profits by cutting intermediaries.

ONDC enabled KalpNil to earn Rs 2.5 lakhs in 5 months, empowering small, woman-led business.



2. ONDC adoption

How can states adopt ONDC?

ONDC enables states to accelerate digital market access for their ecosystems

States can help **local industries, farmers, SHGs, startups, MSME etc.** to benefit from e-commerce with **ONDC**

Every state in India has appointed a Nodal Officer who can work with DPIIT and ONDC to create customised interventions

11
State MoUs

200+
Workshops
Conducted

35
State Entities
Onboarded

ONDC Beneficiaries	
Social enterprises & NGOs	200+
FPOs & O-FPOs	7,500+
Self Help Groups	250+
Weaver/ Artisans group	600+

Key Learning: Only creating digital systems or onboarding on apps/platforms is not enough

For a small scale seller to be successful, there is a need for capacity building, resources and on ground support on the following:

Onboarding &
Cataloguing

KYC and GST

Cataloguing

Pricing

Inventory & Terms of
Business

Demand Generation

Growth Hacking

Marketing

Using free resources

Order Management

Accepting Orders

Response Times

Engaging with SNP

Post-order support

Logistics & Operations

Packaging & Labelling

Warehousing

Logistics & Shipping

Suggested short-term goals:

Now

1. All **digitally mature state-supported entities** to become ONDC compliant - gives boost to SHGs, FPOs, Local Industry and enhances existing programs.
 - *Support them with capacity building, logistics & demand generation*
1. Create **outcome-oriented scheme/program(s)** to help onboarding, capacity building, and **demand generation** for **MSMEs, FPOs, SHGs, Drivers** and other digitally underserved segments.
 - *Help identify product categories and verticals with high potential for digital commerce.*
 - *Leverage Central Government schemes and programs, as well create state-level programs.*
 - *Create a PMU for Continuous Monitoring and Evaluation, Project Governance and Reporting*

Next

1. Support **Hackathons and Startup-support programs** to create local ecosystem players that can support sellers in the state, **develop apps in local languages** etc.
2. Create **programs to digitise local bazaars and create digitised ecommerce-ready logistics** (e.g. pickup/drop, warehouses, cold-storage etc.)

How to get started?

1. Identify the Nodal Department and Officers responsible for the development, implementation and monitoring of ONDC BRAP across the state.
2. Conduct a senior-officers briefing and orientation workshop on ONDC,
3. Create a multi-sector action plan across the state to leverage ONDC for EODB reforms and digital transformation with ONDC in coordination with ONDC Nodal Officers.

THANK YOU!