

CDSL/CS/NSE/AJ/2024/36

February 12, 2024

The Manager,
Listing Compliance Department,
National Stock Exchange of India Ltd,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

Symbol: CDSL
ISIN: INE736A01011

Sub: Further investment in ‘Open Network for Digital Commerce’(ONDC)

Re: Disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

Dear Madam/ Sir,

Pursuant to Regulation 30 of SEBI Listing Regulations read with Para A of Part A of Schedule III and other applicable provisions of the SEBI Listing Regulations, we wish to inform you that Central Depository Services (India) Limited (“the Company”) had already subscribed to 10,00,000 Equity Shares of Open Network for Digital Commerce (“ONDC”) for a consideration of Rs. 10,00,00,000 translating into an equity shareholding of 1.54% of the paid- up Capital as on February 12, 2024.

Further, the Governing Board at its meeting held on October 28, 2023 and SEBI vide its letter SEBI/HO/MRD/MRD-RAC-2/P/OW/2024/5811/1 dated February 12, 2024 have approved the further investment by investing upto Rs. 10,00,00,000 (Rupees Ten Crore Only) in ONDC in one or more tranches.

In pursuance of Regulation 30 of the SEBI Listing Regulations, we provide the following disclosures with respect to the above matter: -

a.	Name of the target entity, details in brief such as size, turnover etc.	Name of Target Company: Open Network for Digital Commerce (‘ONDC’) ONDC was incorporated in India as a Section 8 company. ONDC is an initiative of the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce
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		<p>and Industry, aiming at promoting open networks for all aspects of the exchange of goods and services over digital or electronic networks.</p> <p>ONDC is backed by leading Institutions, Banks and other corporate bodies etc., so far 23 Investors have invested 470 crores in ONDC.</p> <p>Turnover: ONDC has not commenced charging, hence there is no principal revenue from the operations.</p>
b.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired. If yes, nature of interest and details thereof and whether the same is done at "arm's length"	<p>The investment in ONDC is not a related party transaction.</p> <p>BSE Investment Limited (i.e. Promoter Group) has acquired 6.16% stake in ONDC.</p>
c.	Industry to which the entity being acquired belongs	<p>ONDC is engaged in creating an open public digital infrastructure to develop and transform the Indian Digital Commerce Ecosystem for both goods and services and to expand alternatives for both buyers and sellers to engage in the Digital Commerce space.</p>
d.	Objects and Impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<p>This Investment is in the nature of strategic investment made by CDSL. CDSL has decided to invest in this initiative as it is an India initiative.</p> <p>Investment in ONDC is not directly related to or incidental to the activities carried out by CDSL as a Depository in India.</p>

e.	Brief details of any governmental or regulatory approvals required for the acquisition	<p>Pursuant to regulation 7 (c) of SEBI (Depository & Participants) Regulations, 2018, approval of Securities and Exchange Board of India (SEBI) was sought.</p> <p>SEBI vide its letter dated February 12, 2024 accorded its approval for said investment.</p>
f.	Indicative time period for completion of the acquisition	The remittance for subscription will be done in one or more tranches and the approval for the same has been taken by the Governing Board at its meeting held on October 28, 2023 and SEBI vide its letter dated February 12, 2024 for further investment by investing upto Rs. 10,00,00,000 in ONDC.
g.	Consideration - whether cash consideration or share swap and details of the same	Total cash consideration of Rs. 10,00,00,000/- (Rupees Ten crore only).
h.	Cost of acquisition and/or the price at which the shares are acquired	<p>As of date, CDSL holds 10,00,000 equity shares of Rs. 100 each equivalent to 1.54% of the paid-up capital of ONDC.</p> <p>It is proposed for Further Investment of Rs. 10,00,00,000/- (Rupees Ten crore only) by way of subscription of 10,00,000 equity shares of Rs. 100 each.</p>
i.	Percentage of shareholding / control acquired and / or number of shares acquired	
J.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>Date of Incorporation: December 30, 2021</p> <p>Background: ONDC is engaged in creating an open public digital infrastructure to develop and transform the Indian Digital Commerce Ecosystem for both goods and services and to expand alternatives for both</p>

		<p>buyers and sellers to engage in the Digital Commerce Space.</p> <p>History of last 3 years' turnover: NIL</p> <p>Country in which the entity has presence: India</p> <p>Any other significant information : Since its inception, ONDC has made rapid and significant progress in building a robust network and fostering an ecosystem that has gained momentum and recognition in the industry.</p>
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The above information is also available on the website of the Company: www.cdslindia.com.

You are requested to please take the above on record.

Yours faithfully,
For **Central Depository Services (India) Limited**

Nilay Shah
Group Company Secretary & Head Legal