

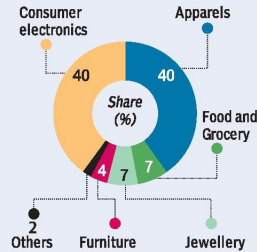
VISHAL BALABHADRUNI

STATISTALK

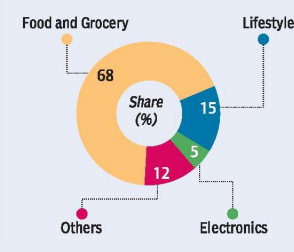
ONDC: Taking e-commerce revolution to 'Bharat'

The Open Network for Digital Commerce (ONDC) has been incubated with the primary purpose of supporting grassroots-level entrepreneurship and digitising small, local retailers by making them a participant in India's e-commerce revolution. ONDC is expected to play major role in driving India's digital penetration in retail, just as UPI democratised the digital payments space in India. Here is a look at the potential of ONDC and how it can be a gamechanger.

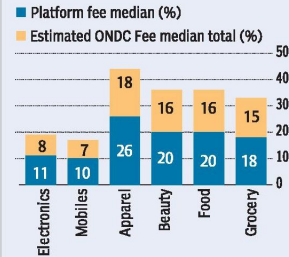
E-commerce in India is dominated by electronics and apparel...



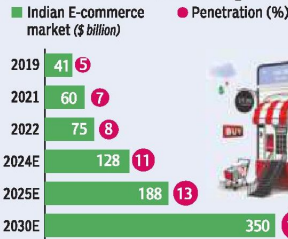
...food and grocery account for 68% of retail market, implying the gaps in e-commerce story



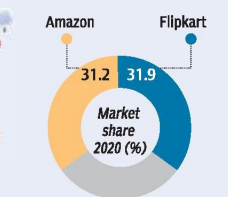
ONDC fee has the potential to be 20-30% lower than the current platform fees



ONDC can herald a new cycle of 'Atmanirbhar' e-commerce growth



Currently, Amazon and Flipkart account for 60%+ market share of Indian e-commerce



Grocery business dynamics: Room for improvement for ONDC

Particulars	ONDC	Swiggy Instamart	Dunzo
Brooke Bond Red Label - 500gm	370	300	315
Daawat Pulav Basmati Rice 1kg	175	155	155
Dabur Honey Squeezy - 225gm	250	204	207
Sensodyne Toothpaste- 70gm	235	191	150
Parle Hide & Seek - 100gm	70	55	55
Id fresh Idli & Dosa Batter - 1kg	119	92	104
Aashirvaad Multigrain Atta - 1kg	111	90	96
Del monte Extra virgin Olive oil - 1 Ltr	940	896	890

Pilot phase has listed groceries at MRP along with a delivery fee on top

Source: JM Financial Institutional Securities report

Graphic: Visveswaran H