

CHAPTER [7]: NETWORK DATA GOVERNANCE

PURPOSE OF THIS CHAPTER

This Chapter lays down the obligations of Network Participants with respect to protection of private and personal information.

7.1. Personal data with Network Participants

- 7.1.1. The Network Participants shall adhere and comply with all Applicable Laws governing privacy and handling of data, and hereby agree to utilise any Personal Data about a natural person, living or deceased, which is received, provided or in the possession of the Network Participant only per Applicable Laws.
- 7.1.2. If the Network Participant engages any service provider, including but not limited to Technology Service Providers, for offering its services or products on the ONDC Network, it shall ensure that such service provider also complies with this clause 7.1. *For clarity*, the term “service provider” in this clause shall not include any other Network Participant that is a counterparty in a transaction on the ONDC Network.
- 7.1.3. The Buyer App and Seller App, as the case maybe, shall ensure that it obtains the necessary consent from its respective End Users for collecting, processing, transmitting, storing, using, disclosing, sharing, dealing, handling or transferring Personal Data relating to natural persons on the ONDC Network. The consent must be explicit, and the purpose for which the consent is being obtained must be clearly communicated to the natural person before taking the consent.¹
- 7.1.4. The Network Participant collecting consent from their End User shall be responsible for conveying it to the other Network Participants, as required.²
- 7.1.5. Unless otherwise agreed between by the Buyer and Buyer App, Buyer’s Personal Data received by the Seller App shall only be used for fulfilling the transaction. Seller Apps shall not use, share, or disclose the personal data of a Buyer, received in the course of a transaction, for any purposes other than:³
 - i. Order confirmation, including payment collection (if applicable);
 - ii. Order delivery (if applicable), and
 - iii. providing post-order confirmation services such as customer support, grievance redress, return, refund, cancellation, updation in relation to the transaction

without taking the Buyer’s explicit consent, as required under Applicable Law.

To illustrate, Seller Apps cannot send unsolicited commercial or marketing communication to the Buyer, either directly or disguised under a transaction-related message or call or seeking customer feedback, without the Buyer’s explicit consent.

Provided that, to the extent permitted under Applicable Law, nothing contained in this clause shall restrict the entry by Network Participants in their agreements with Buyers or other Network Participants to determine and define their reciprocal rights and obligations in relation to ownership, use, storage, transfer and processing of any such information

¹ Clause amended after consultation with the User Council

² Clause inserted by moving it to a substantive clause from a clarification in erstwhile Clause 7.1.4 of Version 1.0 of this document

³ Clause inserted after consultation with the User Council; subsequent clauses renumbered

- 7.1.6. The Network Participant shall publish a privacy policy providing notice with respect to its handling or dealing with Personal Data in accordance with the Applicable Laws.
- 7.1.7. The Network Participant will put in place adequate security measures and frameworks, such as encryption, authentication and authorisation, anonymisation, masking, network-level security apparatus etc, to protect Personal Data, whether the data is at rest or in transit.
- 7.1.8. Should a Network Participant become aware of any unauthorised access of any Personal Data held by it, it will notify the person, to whom the Personal Data pertains, without undue delay as prescribed by the Applicable Laws.
- 7.1.9. The Participant will retain all transaction data including, consent logs and data flow logs for a period of two (2) years or such period(s), as may be required by Applicable Law, whichever is longer, in a readily accessible and searchable format.
- 7.1.10. In the event of a breach of Personal Data, Network Participants that obtained consent should notify the affected natural person as per applicable law.

Illustration: Buyer App obtains consent from the Buyer for processing personal data for completing the transaction. In case of a data breach, Buyer App will be responsible for notifying the Buyer. In this scenario, if the data breach happened at the Seller App's systems, he will be responsible for conveying the breach to the Buyer App, who in turn will notify the Buyer.

7.2. Personal Data collected or received by ONDC

- 7.2.1. ONDC may, over the course of its operations, including operating the ONDC Network or for ensuring compliance with the ONDC Network Policy, may receive or collect Personal Data about a natural person, living or deceased. In case the Personal Data is received from the Network Participants , the Network Participants would be required to obtain consent from the natural person on behalf of ONDC under the Applicable Laws, where ONDC, to the extent permitted under the Law, has informed such Network Participant in advance (viz. at the time of collection of such information) of the requirement of ONDC to have access to such data, the purpose for which such data will be used by ONDC and all such information in relation to use and processing of such information as may be required under Applicable Law. All data received by ONDC from the Network Participant will be securely stored by ONDC as per Applicable Laws.
- 7.2.2. In case, ONDC directly collects Personal Data, it shall be responsible for obtaining consent under the Applicable Laws. The consent must be explicit, and the purpose for which the consent is being obtained must be clearly communicated to the natural person before taking the consent.
- 7.2.3. ONDC shall publish a privacy policy providing notice with respect to its handling, transferring or dealing with Personal Data.
- 7.2.4. ONDC shall not be responsible for ensuring the accuracy of Personal Data received from Network Participants. The Network Participant shall be responsible for ensuring the accuracy of data and taking necessary consents under the Applicable Laws for sharing such Personal Data.
- 7.2.5. ONDC may use anonymised and aggregated data as per the ONDC Network Policy.
- 7.2.6. ONDC will put in place adequate security measures and framework, such as encryption, authentication and authorisation, anonymisation, masking, network-level security apparatus etc, to protect Personal Data, whether at rest or in transit.

DEFINITIONS

Personal Data means both personal data and sensitive personal data as defined under the Applicable Laws.

Version History

Version	Date	Description
0.3	3rd October 2022	Released to NPs
1.0	22nd October 2022	<ul style="list-style-type: none"> - Added a definition of Personal Data - Removed consent requirement for utilising anonymised, aggregated data - Aligned requirements for notifying data subjects of breaches of data pertaining to them with existing standards - Added obligation on ONDC to store any Personal Data collected from NPs in a secure manner as per the law
1.1	15th May 2023	<ul style="list-style-type: none"> - Added clauses restricting misuse of Buyer Data by Seller Apps - Moved clarification from erstwhile Clause 7.1.4 to a substantive clause 7.1.5 - Removed reference of Applicable Laws for collection of explicit consents from Clause 7.1.3
2.0	15th February, 2024	Simplified and Rationalised Chapter released to NPs
2.1	05 th December, 2024	<ul style="list-style-type: none"> - Reiterating NPs obligations to comply with applicable data protection laws; - Clarifications regarding use of personal data by ONDC