

Google may join India's open e-commerce network ONDC: sources



FILE PHOTO: The logo for Google LLC is seen at the Google Store Chelsea in Manhattan, New York City, U.S., November 17, 2021. REUTERS/Andrew Kelly (REUTERS)

India soft-launched its Open Network for Digital Commerce (ONDC) in April.

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Google is in talks with the Indian government to integrate its shopping services with the country's open e-commerce network ONDC, two persons familiar with the situation told Reuters. India soft-launched its Open Network for Digital Commerce (ONDC) late last month in an effort to challenge Amazon.com and Walmart's dominance in the fast-growing e-commerce

business.

By August, the ONDC programme hopes to have 30 million sellers and 10 million merchants online, as well as 100 cities and towns covered.

According to one of the individuals, Google's negotiations follow the success of its payments business as a result of the government's financial transaction programme, the Unified Payments Interface. Both sources declined to be named because they were not authorised to speak to the media about the topic.

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Google's current retail company functions primarily as an online aggregator of listings and does not provide order fulfilment or shipping, as Amazon does. A Google spokeswoman said the company was not in talks with the government.

"We remain committed to focus on the enablement of small and medium businesses to leverage digital for deeper discovery and payments capabilities with Google Pay," the spokesperson said, referring to its payments service.

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The ONDC project's partners, which include Indian finance startup Paytm, will display listings from each other's platforms in search results. The government's goal is to level the playing field for every seller who wants to offer their products online by lowering the cost of doing business.

Paytm E-commerce Private Limited (PEPL), the parent company of Paytm Mall, had previously stated that it would shift its attention to the Open Network for Digital Commerce (ONDC) and investigate potential in the exporting market rather than traditional physical goods e-commerce.

This move allows the company to build a long-term sustainable business with ONDC, which strives to democratise the buying and selling of commodities in the Indian market by promoting transparency and digital independence for small enterprises.