

**M/S. KNOCK LEGAL,**  
#Plot No-217, Bhoodevinagar, Trimulgherry,  
Hyderabad-500015.  
Mob: 8930392346  
Email: chanakya.basa@gmail.com

**LEGAL NOTICE**

Date: 16.07.2020

To

M/s. Futuretimes Technology India Private Limited,  
having its registered office at  
A-16, First Floor, Vasant Kunj Marg Aruna Asaf Ali Marg,  
Qutab Institutional Area New Delhi-67.

Corporate Office:  
4<sup>th</sup> Floor, Huda City Centre, Sector 29,  
Gurugram, Haryana 122007.  
CIN U74999DL2018FTC338848  
Email: info@clubfactory.ciom

Represented by its Director  
Mr. Garvit Aggarwal  
R/o: House No. 1509, Ground Floor,  
Sector 21D, Faridabad-121012, India.

Sir,

I am issuing the following legal notice to you under the instructions of my clients M/s. AIOVA Sellers Association, Reg Office: H-501, Rajyashreevanta, Opp. APMC Market NR. Sahaj Solarium, Opp. Arath Appt, Vasna Ahmedabad, Gujarat 380007, Email: onlinesellersassociation@gmail.com, represented by its Authorized Director Mr. Mithesh Saladiya as under-

1. That my client All India Online Vendors Association ("AIOVA") is an association of more than 2000 sellers across the country, selling on e-commerce marketplaces such as Flipkart, Amazon, Snapdeal, Club

Factoryetc. That my clients are engaged in providing a forum for discussion and extending assistance to its member traders through effective communication with administrative and government agencies, creating a code of conduct, streamlining existing systems, etc.

2. That you are providing e-commerce marketplace services in India and across the globe. That as per the press release dt.29.06.2020 the Ministry of Information Technology, invoking it's power under section 69A of the Information Technology Act read with the relevant provisions of the Information Technology (Procedure and Safeguards for Blocking of Access of Information by Public) Rules 2009, in view of the emergent nature of threats has decided to block 59 apps since in view of information available that they are engaged in activities which is prejudicial to sovereignty and integrity of India, defense of India, security of state and public order.
3. That you are one of the 59 entities blocked by the notification dt.29.06.2020 of the Indian Government. Thereafter, you have sent an email communication to the sellers selling on your marketplace, invoking Force Majeure as per Clause-33 of the Platform User Agreement, citing that banning of the app "Clubfactory" by the government of India constitutes Force Majure event and accordingly you have suspended settlement of dues pending to these sellers. That my clients have received numerous complaints from sellers selling on your platform about your alleged default in settling dues despite the delivery of goods to consumers. That your present action of not settling the dues to sellers, despite they delivering goods to consumers is a clear violation of Reserve Bank of India (RBI) circular dt.17.03.2020, "Guidelines on Regulation of Payment Aggregators and Payment Gateways." As per Clause-8.4 of the said circular, no payment aggregator can defer the

settlement beyond the time period of "Td+1" in the case of seller is responsible for delivery ('Td' – date of confirmation by the merchant to the intermediary about delivery of goods to the customer).

4. The above-mentioned RBI circular dt. 17.03.2020 is issued under Section - 18 read with Section -10(2) of the Payment and Settlement Systems Act, 2007. That by not settling the dues to the sellers within the time period of (Td+1) despite they delivering the goods, you have violated various provisions of Payment and Settlement Systems Act, 2007. The penalty for violation of the said act includes imprisonment upto 10 years along with monetary fines, making the director, manager, in charge personally liable under whose supervision the contravention took place.
5. That your defence to continue this illegal act further by invoking Force Majure as per Clause-33 of the Platform User Agreement, suffers *de jure* as the agreement is null and void, as it is contrary to RBI circular dt. 17.03.2020 and Payment and Settlement Systems Act, 2007. Therefore, you are hereby called upon my clients to settle the pending dues to the sellers within 48hrs of the receipt of this notice failing which my clients will initiate appropriate legal action against you making you liable of all costs and consequences thereof.

M/s.KNOCK LEGAL,



CHANAKYA BASA  
(PARTNER)