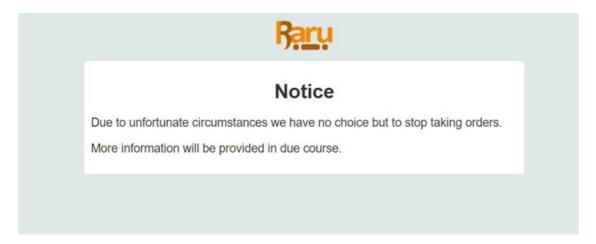


Online retailer Raru facing liquidation

South African online retailer Raru is shutting up shop, reports <u>News24</u>, eight years after it was founded by Neil and Waine Smith and Jose Pereira, the same trio behind e-tailer Take2, which eventually was sold and evolved into e-commerce giant Takealot.



Raru paused operations at the start of November, and since then visitors to the <u>raru.co.za website</u> have been greeted with the following message: "Due to unfortunate circumstances, we have no choice but to stop taking orders. More information will be provided in due course". It served as a telling development considering that November, and its deluge of Black Friday sales, is an important trading period for retailers.

Raru cofounder, Waine Smith confirmed Raru's closure to <u>News24</u>, citing "poor trading conditions, the Covid-19 pandemic and supply chain issues". He claimed liquidation had been forced by the "many creditors", and referred <u>News24</u> to Bellville attorney Vaughan Ulyate, who confirmed that the liquidation application will be filed soon. Ulyate confirmed the major creditor to be the Alchemy Trust, but declined to confirm any others.



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Raru's closure follows months of complaints from customers who have criticised the retailer for failed deliveries and late processing of refunds, according to <u>MyBroadband</u>.

While Smith told *News24* that Raru was "fulfilling orders until the day we closed", complaints on <u>HelloPeter</u> from unhappy customers tell a different story. Some customers are referring to Raru as a "scam" and "thieves" and some report waiting for months for refunds for goods that were ordered but never delivered. Customers are also criticising Raru for its lack of communication in resolving issues.

The struggling company also shut down its gaming news website <u>SAGamer</u> in January this year, citing "lack of funding" and "personal circumstances of team members" among the reasons for the closure.

This week, News24 found Raru's offices at Tygerberg Junction in Parow Industria, Cape Town empty and unattended. Tygerberg Junction Body Corporate Trustee Cathleen Hiebner confirmed to the news publication that the offices were vacated at the end of October. For more, visit: https://www.bizcommunity.com