



SPECIAL TRIBUNAL

EST: ACT 74 OF 1996

TO: ALL MEDIA

10 December 2020

JUDGEMENT HANDED DOWN IN THE MATTER BETWEEN THE SPECIAL INVESTIGATING UNIT (SIU) AND LEDLA STRUCTURAL DEVELOPMENT (PTY) LTD AND OTHERS

The Special Tribunal has ordered that the amounts held in the bank accounts of Ledla Structural Development (Pty) Ltd and three other respondents be forfeited to the State.

In a virtual Special Tribunal judgment delivered by Judge Billy Mothle on Thursday morning, it was ordered that the contract for supply of goods awarded to Ledla Structural Development be reviewed, set aside and cancelled.

On 19th August 2020, the SIU launched an *ex parte* urgent application before the Special Tribunal where in it sought an urgent interim relief on three orders. The first order was for the cancellation of a contract allegedly awarded to Ledla Structural Development (Pty) Ltd. The second order was for the preservation of specified amounts of money held in various banks, which monies were distributed by Ledla. Ledla had received a payment of R38, 7 million from the Department.

The third order sought to interdict the Government Employees Pension Fund from releasing the pension benefits in respect of the former Chief Financial Officer (CFO), Kabelo Mantsu Lehloenyana, pending the outcome of civil proceedings.

The Special Tribunal granted the interim order in the form a rule nisi, calling upon all the 39 respondents to show cause on a return date, why the interim order should not be made final. Some of the respondents filed opposing affidavits while others notified the applicants that they will abide by the outcome of the proceedings.

On Thursday, it was ordered that the monies held in the bank accounts of Ledla, K Manufacturing (Pty) Ltd Rhulani Mboweni Lehong and Kgodisho Norman Lehong under the preservation order were declared forfeit to the State.

Judge Mothle, furthermore, ordered for the dismissal of the preservation order over the monies held in the bank accounts of the following respondents:

- BLSM Service (Pty) Ltd;
- Lloyd Mthobeki;
- Mpho Mafenyane;
- Api Property Group (Pty) Ltd;

- Boxlee (Pty) Ltd; and
- Angelic Juliana Groenewald.

The judgment orders the Special Investigating Unit (SIU), at its own costs, to appoint from the list of service providers to the Auditor General, a firm of forensic accounting services to prepare a forensic report for submission to the Special Tribunal not later than 15 January 2021, on the following terms and conditions:

- Analyse and reconcile the source documents including invoices and delivery notes issued and attached as evidence separately by each of the affected respondents against the amounts received between 3 and 5 August 2020 from either Ledla Structural Development, and/or any of the affected respondents;
- Determine the difference between the prices charged by each of the respondents for the goods sold to the market prices; to the market prices then, as well as the recommended price list attached to the Treasury Notes;
- Upon receipt of the forensic accountant report and on 16 January 2021, the affected respondents shall receive a copy thereof for comment to be delivered to the Special Tribunal or on before Friday, 22 January 2021;
- The *rule nisi* for the preservation order and forfeiture order as against the respondents is extended to Tuesday, 26 January 2021, for judgment. Costs pertaining to the remaining respondents will be determined on the 26th January 2021.

In respect of the former CFO, it was ordered that the interim interdict prohibiting the Government Employees' Pension Fund (GEPF) and the Government Pensions Administration Agency from payment of pension and retirement benefits is extended pending the finalisation of action proceedings in the Special Tribunal.

The rule nisi is extended until the 26th January 2021 in respect of the remaining respondents.

Media enquiries:

Selby Makgotho

Spokesperson for the Special Tribunal of the Republic of South Africa

Phone: (011) 210 7309

Cell: 082 907 5082

Twitter: **@TribunalSpecial**

E-mail: smakgotho@justice.gov.za

Website: www.justice.gov.za/tribunal/index.html