

Zuma and Mandela probed by Hawks over Aurora

JOHANNESBURG: The nephew of President Jacob Zuma and grandson of former president Nelson Mandela are being investigated by the Hawks in connection with alleged criminal activities stemming from the Aurora case.

By Adam Wakefield ^{6 Jul 2015}



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"The Aurora issue is now in the hands of the Hawks. We are looking at the criminal element of the matter," Hawks spokesperson Brigadier Hangwani Mulaudzi said.

"In the court case, the judgment delivered was in terms of the civil claim but there were issues raised by the judge in terms of fraud and racketeering for example."

On June 25, High Court in Pretoria Judge Eberhard Bertelsmann handed down a damning judgment against the directors of Aurora Empowerment Systems.

Damages

Khulubuse Zuma, Zondwa Mandela and Thulani Ngubane will have to pay up about R1.7bn in damages for the destruction of Aurora's Grootlei and Orkney mines that cost 5,300 workers their jobs.

Aurora's financial directors and de facto controllers of the company - Solly and Fazel Bhana - were also held liable.

A civil claim was brought by the liquidators of Pamodzi Gold in terms of section 424 of the Companies Act, asking the court to hold the directors liable for all the damage caused to the mine.

Mulaudzi said the Hawks felt it necessary that they looked into alleged criminal activities surrounding the Aurora case.

"The appropriate people within the Hawks will be meeting to discuss the matter, and we will be meeting with the NPA to also look into it," Mulaudzi said.

"Mandela has been investigated for fraud. We managed to deal with that matter with his lawyers, and it is still pending. This is a separate issue."

Bertelsmann's judgment focused on the 2009 bid letters that Aurora submitted to the liquidators in which they claimed that Aurora had the funds and the experience required to take over the mines.

'Wilful deception'

Bertelsmann tore into their claims, calling them "the figment of an overactive imagination", "devoid of factual content" and "pipe dream".

The court found that the directors had lied from day one, when they placed a bid to buy the mine: "The respondents either did not appreciate the very grave implications of the offer the directors made, or did not care about the consequences that fanciful and ill-founded approach to the transaction must have [had]."

Initially it appeared that Zuma, who always claimed he was kept in the dark about the problems at Aurora, would be excused as Bertelsmann found that Mandela, Ngubane and the Bhanas were "guilty of wilful deception by presenting bid documents containing numerous false assertions to the liquidators. They are [also] guilty of reckless management of Aurora's affairs"

Bertelsmann then turned his attention to Zuma, ruling that "his failure to act once he knew the dire state of affairs is clearly reckless disregard of his duties as a director. If he really did not know, it is because he deliberately chose not to be informed. Such an approach constitutes recklessness ... and [Zuma] should therefore be held liable for all losses that were incurred on or after December 1, 2009."

None of the directors were present in court to hear the judgment.

Source: [News24](#)

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