Blow to companies linked to Malema

The North Gauteng High Court ordered three companies linked to expelled African National Congress Youth League president Julius Malema to allow *City Press* assistant editor Adriaan Basson and Media 24 to inspect or make copies of the securities registers of the firms within five days of the order.

The judgment follows an interim order made on 15 June by Judge Eberhardt Bertelsmann in which he called upon On-Point Engineers, SGL Engineering and Gwama Properties to show cause why they should not be directed to allow Basson and Media 24 to inspect and make copies of the original security register of each of the three companies.

The judgment confirms that under the new Companies Act, companies are obliged to provide members of the public with their securities registers, because this was the only way to obtain the ownership information of private entities, which is not held by the Companies and Intellectual Property Commission.

In their initial application before the court, Basson and Media 24 said they sought the companies' "register of members" as it was known that On-Point and SGL had benefited from lucrative state tenders in Limpopo.

"*City Press* wishes to establish exactly who the shareholders of the (companies) are in order to establish who benefited from state tenders given to (them)."

On Wednesday Judge Sullette Potterill said it was clear that Basson and Media 24 were requesting access to information that would be contained in a "securities register" and not a "members register". She said this was corrected by Judge Bertelsmann in his order in June.

She said the companies' argument was correct that Media 24 and Basson had used the terms interchangeably which initially might have led On Point, SGL and Gwama into providing incorrect information.

"I am, however, satisfied that the nature of the sought-after information, and what type of access was requested, was very clear to (On-Pont, SGL and Gwama) when Judge Bertelsmann ordered them to show cause why they should not be directed to allow (Media 24 and Basson) to inspect and make copies of the original securities register of each of the three (companies)," Judge Potterill said.

The judge said the refusal by the three companies to allow access to the securities register was criminal, but refused to order them to pay costs on a punitive scale because Media 24 and Basson had used the phrases "members register" and "security register" interchangeably.

Source: *Business Day* via I-Net Bridge

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