



MEDIA RELEASE

TO: MEDIA

RE: MULTI-AGENCY INVESTIGATION – R80 MILLION ASSETS SEIZED

DATE: 10 JULY 2007

The National Prosecuting Authority's Asset Forfeiture Unit (AFU), Special Tax Unit (STU), and the Directorate of Special Operations (DSO) together with the South African Police Service (SAPS) and the South African Revenue Service (SARS) have seized assets to the value of about **R80 million** belonging to one businessman in Kwazulu-Natal.

The seizures are in terms of section 26 of the Prevention of Organised Crime Act 121 of 1998. Assets seized include bank accounts frozen with cash amounting to R53 million, 12 immovable properties (3 in Gauteng Province and 9 in Kwazulu-Natal) valued at R30 million as well as vehicles at an estimated value of R1, 8 million.

This multi-agency operation was part of pro-active investigations initiated by the law-enforcement agencies. The suspect had concluded a service level agreement with the Department Education in Kwazulu-Natal in July 2005 for supply of stationery to various schools in the province. On the basis of the agreement, the Department paid to the suspect and/or his company [Indiza Infrastructure Solutions (Pty) Ltd] an amount in excess of R350 million where the suspect included VAT when he invoiced the Department. The suspect failed to declare and remit to SARS VAT in excess of R43 million. The suspect was arrested and appeared in the Durban Regional court where he was charged with fraud and theft. He was released on warning and with conditions in terms of section 72 of the Criminal Procedure Act 51 of 1977 as amended. The case got postponed to 27 June 2007 for further investigations.

Following an appearance on 27 June 2007, the accused was allowed access to his passport in order to travel abroad. The case has now been postponed to 26 July 2007 on which day it is expected that a trial date may be fixed.

The investigation was initiated in June 2006 and the seizures punctuate but only one leg of the ongoing investigations.

This operation bears testimony to the fact that law-enforcement agencies are operating at a level of heightened vigilance in so far as monitoring criminals and initiating investigations is concerned.

For enquiries, please contact Tlali Tlali (NPA Deputy Spokesperson) at 082 3333 880 or ttlali@npa.gov.za