

PROTECH KHUTHELE (PTY) LTD (IN LIQUIDATION)
("the Company")

MASTER'S REFERENCE NUMBER : G20333/2014

REPORT OF THE JOINT LIQUIDATORS LIEBENBERG DAWID RYK VAN DER MERWE, THEODOR WILHELM VAN DEN HEEVER, LEIGH WILLIAM ROERING, RICHARD APRIL MASUKU, LEBOGANG MORAKE AND LINDA CAROL MABASO, IN TERMS OF SECTION 402 OF THE COMPANIES ACT NO 61 OF 1973 AS AMENDED TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS, MEMBERS & CONTRIBUTORIES TO BE HELD BEFORE THE MASTER OF THE HIGH COURT JOHANNESBURG ON THURSDAY, 18 JUNE 2015 AT 10H00.

ORDER OF THE COURT AND MEETINGS

Nature of Liquidation	Applied for Application
Date of Liquidation	1 July 2014
Date of Provisional Order	2 July 2014
Date of Final Order	19 September 2014
Provisional Appointees	LDR van der Merwe, LW Roering, RA Masuku, L Morake and LC Mabaso
Date of 1 st Meeting of Creditors	17 December 2014
Final Appointees	LDR van der Merwe, TW van den Heever, LW Roering, RA Masuku, L Morake and LC Mabaso

GENERAL AND STATUTORY INFORMATION

Registrar of Companies

- 1 According to the Registrar of Companies the company was incorporated under registration number 2000/016308/07.

Registered Address

- 2 The registered address of the company is corner Elandsdrift Road and R512, Lanseria.

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Directors

3 It appears from my investigations the following persons consented to serve as directors:-

- 3.1 Victor Robert George Dingle
- 3.2 Julian Cornelius Dovey
- 3.3 Hannelie du Preez
- 3.4 Ernest Norman Holton
- 3.5 Nathan Pillay
- 3.6 Christopher Brendon Porter
- 3.7 Christopher Edward Ryninks

Share Capital

- 4 The authorised share capital of the company is R1000 divided into 1000 ordinary shares par value shares of R1 each.
- 5 The issued share capital of the company is 100 ordinary par value shares of R1 each.

Business of the Company

- 7 The main business of the company was construction specialising in in bulk earthworks, road and civil engineering construction.

Auditors

- 8 The auditors of the company are Deloitte and Touche.

STATEMENT OF AFFAIRS

- 9 We have not been place in possession of a Statement of Affairs as required in terms of Section 363 of the Companies Act No 61 of 1973 as amended.

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SECTION 402(a)

FINANCIAL STATEMENT OF ASSETS AND LIABILITIES

10 The following represents the assets and liabilities of the company at date of liquidation. Unless otherwise stated, these figures only represent estimates of the assets and liabilities and will change depending on the amounts of realisation of unsold assets and claims submitted for proof.

ASSETS

IMMOVABLE PROPERTY	NOTES	AMOUNT	AMOUNT
None			0-00
MOVABLE ASSETS			
Debts (collected to date)	(a)		12,727,111-43
Diesel Operated Generator – GEH220	(c)		215,000-00
Cash on hand – ABSA Bank	(a)		6,213,901-18
TOTAL ASSETS			
LIABILITIES			
<u>Secured</u>			
ABSA Bank	(a)(b)	134,157,554-91	
<u>Preferent Creditors</u>			
Receiver of Revenue		UNKNOWN	
Salaries		1,672,248-97	
<u>Concurrent Creditors</u>			
Trade Creditors	(d)	235,004,306-73	
TOTAL LIABILITIES		370,834,110-61	
DEFICIT			351,678,098-00

NOTES

The statement of assets and liabilities must be read in conjunction with the following notes:

Debts collected

- (a) To date we have collected R12,727,111-43 in respect of amounts owing to the company prior to its liquidation. According to the records of the company a further R11,693,570-61 is due from clients pursuant to the company's operations. This amount is still subject to verification and in most respects serve as retention. The liquidators cannot at present express an opinion on the extent of the collectability of the remaining debtors.

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- (b) All amounts owing to the company as the date of its liquidation (debtors), including all debit balances held in accounts in the name of the company, are ceded as security to ABSA Bank.
- (c) An offer was received for the generator to the amount stated above. Creditors are requested to approve the sale at this meeting.
- (d) The value of the trade creditors listed represents the claims received to date from creditors.

These figures do not take into account any costs of administration and are subject to change and/or modification.

SECTION 402 (b)

CAUSES OF THE COMPANY'S FAILURE

- 11 The Company was placed into Business Rescue during June 2014 and Mr Gainsford was appointed as Business Rescue Practitioner.
- 12 Mr Gainsford in his capacity as Business Rescue Practitioner concluded that there was no reasonable prospect of rescuing the company and consequently applied for the liquidation as the company as required in terms of the provisions of Chapter 6 of the Act.

SECTION 402(c)

REPORT TO THE MASTER IN TERMS OF SECTION 400(2) OF THE COMPANIES ACT

- 13 It is not our intention at this stage to submit a report to the Master of the High Court. However, we are still investigating this aspect and if necessary, a detailed report will be submitted to the Master in due course.

SECTION 402(d)

PERSONAL LIABILITIES OF DIRECTORS OR OFFICERS

- 14 At this stage it is not known whether the former director or officer of the company can be held personally liable for the debts of the company. A report will be submitted, should it become necessary.

SECTION 402 (e)

LEGAL PROCEEDINGS

- 15 We have no knowledge of any legal proceedings pending by or against the company.

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SECTION 402(f)

ENQUIRY

- 16 The liquidators do not intend to hold an enquiry at present. Creditors will be informed if the liquidators decide to proceed with an enquiry into the affairs of the company.

SECTION 402(g)

BOOKS AND RECORDS

- 17 We have taken control of the books and records found at the offices of the company.

SECTION 402 (h)

PROGRESS AND PROSPECTS OF WINDING UP

- 18 The joint liquidators will continue to collect any amounts due to the company from its pre-existing contracts.
- 19 The only remaining issue is to complete the construction of a dual carriage way of R82/K57. The Joint Provisional Liquidators applied to the High Court of South Africa for extension of their powers in terms of Section 386(5) of the Companies Act to enable them to carry on the part of the business of Protech.

ESTIMATED DIVIDEND

- 20 It appears at present that only the secured and preferent creditors are to receive an award. The joint liquidators will advise concurrent creditors if the prospect of a dividend herein arises.

SECTION 402(i)

MATTERS REQUIRING THE FURTHER DIRECTIONS OF CREDITORS

- 21 Such directions as required of creditors are contained in the draft resolutions numbers 1 – 10 which is submitted for consideration and adoption by the creditors at the second meeting of creditors in conjunction with this report. Creditors are requested to adopt these resolutions to enable the administration of the company in liquidation to continue.

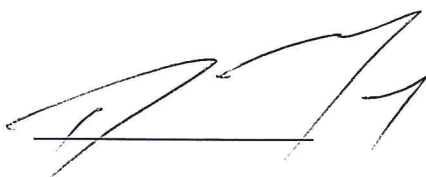
PROTECH KHUTHELE (PTY) LTD (IN LIQUIDATION)
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LEASES

22 It appears that various lease agreements were entered into. All these lease agreements have been cancelled

SIGNED at ROODEPOORT on this 14TH day of JUNE 2015.



LDR VAN DER MERWE

TW VAN DEN HEEVER

LW ROERING

RA MASUKU

L MORAKE

LC MABASO

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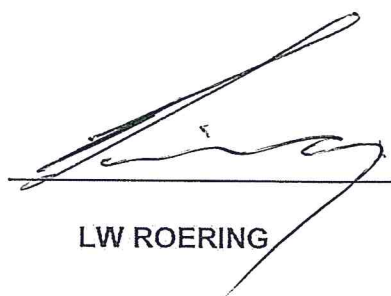
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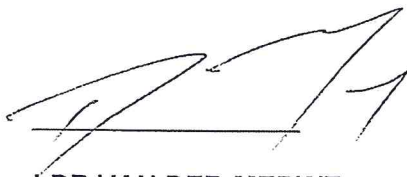
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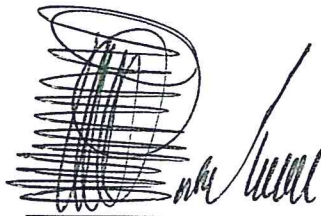
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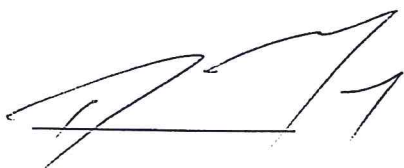
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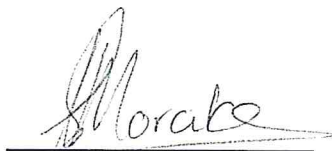


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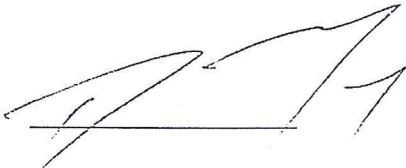
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RESOLUTIONS SUBMITTED AND ADOPTED AT THE SECOND MEETING OF CREDITORS HELD BEFORE THE MASTER OF THE HIGH COURT JOHANNESBURG, ON THURSDAY, 18 JUNE 2015 at 10H00

RESOLVED THAT:

1. That a committee of proved creditors each with claims exceeding R10 000 000 ("the Creditor's Committee") be established for the purpose of giving directions to the liquidators of the Company.
2. That each member of the Creditor's Committee is hereby confirmed, authorised and ratified to have one vote in respect of any matter presented to the Creditor's Committee and with the value of such vote being equal to the aggregate value of such member's proved unconditional claims against the Company, provided that no such member shall be entitled to exercise such vote in respect of any matter which affects the validity of any of their claims or any security held by such member in respect of any of their claims.
3. That the joint liquidators are hereby authorised and directed to take and act on all written directions from the Creditor's Committee.
4. All such written directions are to be regarded as directions of the proved creditors of the Company.
5. The joint liquidators be and are hereby authorised only in accordance with the said written directions from the Creditor's Committee to:
 - 5.1. Take legal advice on any question of law affecting the administration and distribution of the company;
 - 5.2. Institute or defend on behalf of the company any action or other legal proceedings of a civil nature for the recovery of monies due to the company or otherwise as directed by the Creditor's Committee and subject to the provisions of any law relating to criminal procedure, institute any criminal proceedings;

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- 5.3. Hold any enquiry into the affairs of the company and/or any matter relating thereto;
- 5.4. Investigate and institute legal proceedings for the recovery of any voidable or undue preferences, voidable dispositions of property, or any other impeachable transaction of whatsoever nature and to abandon same at any time;
- 5.5. Write up the books of the Company as may be required, and if necessary, to produce a balance sheet, audited or not, as at the date of liquidation, either for the purpose of investigating the affairs of the Company, establishing the claims of creditors, or any other purpose as directed by the Creditor's Committee.
6. The joint liquidators be and are hereby authorised only in accordance with the said written directions from the Creditor's Committee to employ and engage the services of attorneys and/or counsel and/or accountants and/or bookkeepers and/or any employee of the Company and/or recording agents and/or any other person who may be of assistance in the winding-up of the Company in relation to any matter referred to in 5 above and further to pay all the costs thereof in accordance and to the extent directed by the Creditor's Committee in writing.
7. The joint liquidators be and are hereby authorised in accordance with and to the extent directed by the Creditor's Committee in writing to
 - 7.1. Collect any debts due to the Company;
 - 7.2. Sell or compound or compromise any such debt upon such terms and conditions as directed by the Creditor's Committee;
 - 7.3. Accept any part of such debt in settlement thereof;
 - 7.4. Grant an extension of time for payment of any such debt; and to
 - 7.5. Abandon any debt which the Creditor's Committee may direct to be irrecoverable.

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8. The joint liquidators be and are hereby authorised in accordance with and to the extent directed by the Creditor's Committee to dispose of any movable and immovable property of the Company, whether in the possession or under the control of the joint liquidators now or in the future in the manner and on the terms and conditions as directed by the Creditor's Committee in writing and are further authorised to sign all documents to give effect to such disposition.
9. The joint liquidators be and are hereby authorised in accordance with and to the extent directed by the Creditor's Committee in writing to compromise and admit any claim against the Company of whatsoever nature and howsoever arising and whether disputed or not and whether actual, contingent, prospective, conditional, unconditional, assessed, unassessed, liquidated or unliquidated as a liquidated claim in terms of Section 78(3) of the Insolvency Act 24 of 1936 as amended, read with Section 339 of the Companies Act 61 of 1973, as amended, at such amount as may be directed by the Creditor's Committee in writing, provided that proof thereof has been tendered at a meeting of creditors.
10. The joint liquidators be and are hereby authorised in accordance with and to the extent directed by the Creditor's Committee in writing to carry on or discontinue any part of the business of the Company insofar as may be necessary for the beneficial winding-up thereof.
11. The offer received for the generator to the amount of R215 000.00 (plus VAT) is hereby accepted by the Creditors.

q.q. CREDITORS

PRESIDING OFFICER

DATE