

**TFM INDUSTRIES (PTY) LTD PROPRIETARY LIMITED
(IN LIQUIDATION)
MASTER'S REFERENCE NUMBER G.949/2022**

REPORT SUBMITTED BY THE JOINT LIQUIDATORS IN TERMS OF SECTION 402 OF THE
COMPANIES ACT NO 61 OF 1973 AS AMENDED TO BE SUBMITTED AT A GENERAL
MEETING OF CREDITORS AND CONTRIBUTORIES TO BE HELD BEFORE THE
MAGISTRATE KEMPTON PARK ON 16 JULY 2024 AT 09H00.

ORDER OF THE COURT AND MEETINGS

Nature of Liquidation	Application in High Court of South Africa (Gauteng Division Johannesburg)
Date of Special Resolution	n/a
Date of Provisional Order	n/a
Date of Final Order	07 September 2022
Provisional Appointees	Anneke Barnard, Ralph Farrel Lutchman and Ranjith Choonilall
Date of 1 st Meeting of Creditors	28 February 2024 postponed and closed on 19 March 2024
Final Appointees	Anneke Barnard, Ralph Farrel Lutchman and Ranjith Choonilall

GENERAL AND STATUTORY INFORMATION

REGISTRAR OF COMPANIES

The Company was duly registered with the Registrar of Companies under reference number 1966/005974/07.

REGISTERED ADDRESS

The registered address of the company was at 33 Industry Road, Clayville Ext 4, Olifantsfontein, 1665.

DIRECTORS

It appears from our investigations that the following persons were directors:

- Bambangazibini Vuyo Tabata - Identity Number 820501 5963 082
- Dino Ramanundh - Identity Number 750219 5027 089
- Mkhusele Setuse - Identity Number 800209 5434 088
- Ziphiwo Mdododwa Mhlwana - Identity Number 770407 6065 085
- Christoph Heinermann - Identity Number C486RMCNT
- Matthew Mzimasi Mlonzi - Identity Number 900925 6318 082
- Mcebisi Rudolf Mlonzi - Identity Number 710915 6213 086

AUDITORS

The Auditors at date of liquidation appear to have been Connaughton Miller Smith Inc.

SHARE CAPITAL

Authorised Share Capital

Ordinary no par value shares 4,812,000

Issued Share Capital

Ordinary no par value shares 100,000

Unissued Share Capital

The unissued ordinary shares were the subject of a general authority granted to the directors in terms of Section 38 of the Companies Act.

Holding Company

TFM Holdings Proprietary Limited incorporated in South Africa

Ultimate Holding Company

Ritam Holdings Proprietary Limited incorporated in South Africa

BUSINESS OF THE COMPANY

The main business of the company specialised in the design, manufacturing, assembling and conversion of commercial vehicle bodies, including aftercare services.

SECTION 402(A)

FINANCIAL STATEMENT OF ASSETS AND LIABILITIES

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

According to information available to us the following would appear to represent the financial position of the Company as at the date of liquidation.

ASSETS	NOTES	LIABILITIES	ASSETS
ENCUMBERED ASSETS			
Movable asset EAA 1	1		33 350.00
Movable asset EAA 2	1		108 100.00
Movable asset EAA 3	1		230 000.00
Movable asset EAA 4	1		-
Movable asset EAA 5	1		138 000.00
Motor Vehicles	1		1 120 675.00
Plant, Equipment and Office Furniture	1		995 325.00
Plant, Equipment and Office Furniture	2		15 000 000.00
UNENCUMBERED ASSETS			
Debtors			5 000 000.00
Dividends in terms of Shareholding	3		Unknown
Intercompany loan	4		0.00
TOTAL	5		22 625 450.00

LIABILITIES	NOTES	LIABILITIES	ASSETS
SECURED CREDITORS			
ABSA Bank Ltd by way of Instalment Sale Agreement	EAA 1	9 941.89	
ABSA Bank Ltd by way of Instalment Sale Agreement	EAA 2	21 242.49	
ABSA Bank Ltd by way of Instalment Sale Agreement	EAA 3	541 597.21	
ABSA Bank Ltd by way of Instalment Sale Agreement	EAA 4	33 595.99	
ABSA Bank Ltd by way of Instalment Sale Agreement	EAA 5	56 136.72	
Yellow Sunshine Properties (Pty) Ltd by way of a Landlord's Hypothec		1 499 575.25	
OEC Industrial Holdings (Pty) Limited by way of a Landlord's Hypothec		5 895 096.28	
Brilliant Accent Holdings (Pty) Ltd by way of a Landlord's Hypothec		6 947 919.13	
PREFERENT CREDITORS			
Employees in terms of Section 98A(a)	6	3 921 165.83	
Motor Industry Bargaining Council in terms of Section 98A(b)		5 825 359.59	
SARS		4 708 150.63	
CONCURRENT CREDITORS			
Employees	6	18 672 418.31	
Trade Creditors	7, 8	98 362 429.35	
Sub Total		146 494 628.67	22 625 450.00
Deficit			129 565 423.67
TOTAL		146 494 628.67	146 494 628.67

NOTES:

The above figures are subject to adjustment and verification.

1. The assets are encumbered and were all sold by public auction pursuant to an extension of the powers of the joint provisional liquidators in terms of Section 386 (2A) of the Companies Act.
2. These assets are secured in terms of the Landlord's Hypothec however, it appears that there will be a surplus available to preferent creditors.
3. The company is a shareholder in OEC and is expecting a dividend payment; once the payment has been received, we will account for same in the Liquidation Account.
4. According to the records of the company, unsecured loans were made to various associated group companies. The liquidators have, to date, been unable to find documentation substantiating these loans. The matter will be investigated.
5. These figures do not take into account any costs of administration and are subject to change and/or modification.
6. The amounts owing to the employees are according to the records of the company. A comprehensive schedule will be accepted in terms of Section 98A which will be reflected in the Liquidation and Distribution account.
7. The amounts represent the aggregate of the concurrent claims received by the liquidators to date.
8. The claims submitted for proof by creditors are subject to verification in terms of the provisions of Section 45 of the Insolvency Act read with the Companies Act and certain claims may be reduced should the company's books and records indicate that a claim has been wrongly submitted.

SECTION 402(B)

CAUSES OF THE COMPANY'S FAILURE

According to information received, the principle causes of the company's failure are attributable to the following: -

Due to the current economy, the income of the company's operations was not sufficient to cover the day-to-day running expenses. The company found itself in a position where it could no longer meet its monthly obligations.

The inability to honour its obligations to creditors and its inability to pay its debts, contributed to the liquidation proceedings.

SECTION 402(C)

REPORT UNDER SECTION 400(2)

Should any further contraventions come to our attention an additional report will be submitted to the Master of the High Court regarding such contraventions.

SECTION 402(D)

PERSONAL LIABILITIES OF DIRECTORS OR OFFICERS

At this stage we are unable to comment on 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

As far as we are aware there are no legal proceedings pending by or against the Company, except for normal debt collection.

SECTION 402(F)

FURTHER ENQUIRY

Should any creditor wish to proceed with an Enquiry in terms of the provisions of Section 415 or 417 of the Act new invite them to furnish us with instructions/directions in this regard, they are invited to indemnify us and proceed in terms of the provision of Section 32(1) of the Insolvency Act should they so wish.

SECTION 402(G)

BOOKS AND RECORDS

Certain books and records have been handed to the liquidators.

SECTION 402(H)

PROGRESS AND PROSPECTS OF LIQUIDATION

Upon our appointment as Provisional Liquidators we immediately investigated the affairs of the company and took possession of the assets.

Certain movable assets were sold by public auction pursuant to an extension of the powers of the joint provisional liquidation in terms of Section 386 (2A) of the Companies Act.

The Joint Liquidators will continue to collect outstanding debts.



SECTION 402(I)

MATTERS REQUIRING FURTHER DIRECTIONS OF CREDITORS AND CONTRIBUTORIES

Such directions as we desire, and sanction of the actions taken by the Provisional Liquidators and Liquidators to date, are contained in the Resolutions to be submitted for consideration and adoption, are attached hereto.

GENERAL

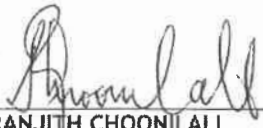
ESTIMATED DIVIDEND

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.

DATED AT ROODEPOORT ON 25 JUNE 2024.


ANNEKE BARNARD


RALPH FARREL LUTCHMAN


RANJITH CHOONILALL

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**RESOLUTIONS SUBMITTED AND ADOPTED AT THE SECOND MEETING OF CREDITORS
HELD BEFORE THE MAGISTRATE KEMPTON PARK ON 16 JULY 2024.**

RESOLVED THAT:

- 1 The report of Liquidator or Joint Liquidators, as the case may be, hereinafter referred to as (the Liquidator”), as submitted be received and adopted and all his actions referred to therein be and are hereby confirmed, ratified and approved.
- 2 All actions of whatsoever nature hereto before taken by the Provisional Liquidator and/or Liquidator be and are hereby confirmed, ratified and approved.
- 3 The Liquidator be granted the authority and is vested with all the powers mentioned in Section 386(4)(a) - (i) of the Companies Act No 61 of 1973, as amended, such powers to be exercised at his sole and absolute discretion.
- 4 The Liquidator be and is hereby authorised in his sole and absolute discretion to:
 - 4.1 Take legal advice on any question of law affecting the administration and distribution of the company.
 - 4.2 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 and subject to the provisions of any law relating to criminal procedure, institute any criminal proceedings.
 - 4.3 Hold any enquiry into the affairs of the company and/or any matter relating thereto.
 - 4.4 Investigate and institute legal proceedings for the recovery of any voidable or undue preferences, voidable dispositions of property or any other impeachable transactions of whatsoever nature and to abandon same at any time.
 - 4.5 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.
- 5 The Liquidator be and is hereby authorised in his sole and absolute discretion to employ and engage the services of attorneys and/or counsel (senior and/or junior) and/or accountants and/or bookkeepers and/or any employee of the insolvent and/or recording agents and/or any other person who in the sole discretion of the Liquidator may be of assistance in the winding-up of the company in relation to any matter referred to in 4 above and further to pay all the costs thereof of whatsoever nature out of the estate as costs incurred in the liquidation.
- 6 The Liquidator be and is hereby authorised to collection any debts due to the company and for the purpose thereof to sell or compound or compromise any of these debts for such sum and upon such terms and conditions as he in his sole discretion may deem fit, and to accept any part of the debt in settlement thereof, and to grant an extension of time for the payment of any such debt, and to abandon any debt which he in his sole discretion may deem to be irrecoverable.

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- 7 The Liquidator be and is hereby authorised to dispose of any movable and immovable property of the company, whether in his possession or under his control now or to come into his possession or under his control in the future by public auction, private treaty or public tender upon such terms and conditions as he in his sole and absolute discretion shall determine and to abandon any such assets for which he can find no purchaser or abandon them to a secured creditor at the value placed thereon by such creditor or at such value as is agreed upon by the Liquidator and the creditor if such creditor's claim is secured by such assets and to sign all such documents as may be necessary to give effect to such disposition.
- 8 The Liquidator be and is hereby authorised and empowered in his sole discretion 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 No 24 of 1936 as amended, read with Section 339 of the Companies Act No 61 of 1973, as amended, at such amount as may be agreed upon by the Liquidator, provided that proof thereof has been tendered at a meeting of creditors.
- 9 The Liquidator be and is hereby authorised to make application for the destruction of books and records of the estate six months after the confirmation of the Final Liquidation and Distribution Account.
- 10 The Liquidator be and is hereby authorised to perform any act or exercise any power for which he is not expressly required by the Companies Act No 61 of 1973, as amended, to obtain the leave of the Court.
- 11 The Liquidator be and is hereby authorised to submit to the determination of arbitrators any dispute concerning the company or any claim or demand by or upon the company.
- 12 The Liquidator be and is hereby authorised to carry on or discontinue any part of the business of the company insofar as may be necessary for the beneficial winding-up thereof.
- 13 That costs of attendance of creditors meetings be costs in the estate.
- 14 That the costs of courier services for purposes of creditors meetings be costs in the estate.
- 15 The Liquidator be and is hereby authorised to exercise *mutatis mutandis* the powers conferred upon a Liquidator by Section 35 (uncompleted acquisition of immovable property before liquidation) and 37 (effect of liquidation upon a lease) of the Insolvency Act No 24 of 1936, as amended, read with Section 339 of the Companies Act No 61 of 1973, as amended.
- 16 The further administration of the affairs of the company be left entirely in the hands and at the discretion of the Liquidator.

q.q. CREDITORS

q.q. DIRECTORS /
SHAREHOLDERS

PRESIDING OFFICER