

# More Eskom managers in firing line over R1.6bn deal

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17 Aug 2017

An investigation into irregularities costing Eskom billions of rand and triggering the suspension of chief financial officer Anoj Singh in July could lead to the suspension of five more senior managers.



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This was confirmed by several sources at Eskom with direct knowledge of the investigation that was conducted by law firm Bowman Gilfillan.

The officials include Eskom's acting head of group capital, Prish Govender.

Eskom said on Wednesday it "can confirm that it asked Bowmans to establish the facts pertaining to the issues related to McKinsey/Trillian transactions so as to establish whether the requisite value for money was extracted by Eskom" and whether the payments followed the "dictates" of the Public Finance Management Act.

Eskom spokesman Khulu Phasiwe declined to respond to questions about the recommended suspensions.

The Eskom sources said the investigation had recommended suspending the officials for approving a R945m settlement with McKinsey and payments of R495m to Trillian between August 2016 and February 2017. This excludes R30.6m paid to Trillian in April 2016 and comes to R1.6bn including VAT.

The payments were made to Trillian, then owned by Gupta lieutenant Salim Essa, even though Trillian had no contract with Eskom or McKinsey.

Trillian has denied any wrongdoing and said it was "fully supportive" of any inquiry into its dealings with Eskom.

Trillian was accused in 2016 by former public protector Thuli Madonsela of contributing R235m towards Gupta firm Tegeta's purchase of Optimum coal mine, although Trillian has also denied this.

This week, Eskom suspended chief procurement officer Edwin Mabelane and acting commercial GM Charles Kalima for their role in the payments.

The sources said Govender and two other senior managers were next in line.

Govender said on Wednesday he was not aware of any plans to suspend him.

"I know there is an investigation happening in terms of the Trillian matter," he said. "I have been asked questions relating to the process, but I have not been suspended at the moment."

Mabelane and Kalima both declined to comment.

Singh and Govender have emerged as central to the Trillian payments scandal. Trillian sent invoices either directly to Singh or Govender, and the power utility would then pay Trillian on the same day or within three days of invoicing.

On Wednesday morning, Business Day spotted Singh in discussion with Govender at the Park Hyatt hotel in Johannesburg. Asked what the topic of conversation was, Singh said: "Somehow I don't think that's any of your business.

"There's nothing wrong in us sitting and having coffee, or discussions or anything for that matter.

"I am still an employee of Eskom and Eskom has not said I cannot meet any employee."

Govender denied that the meeting took place, even though Singh confirmed it.

Singh is at the centre of corruption allegations at Eskom after the Gupta e-mail leaks revealed he had arranged a R1.6bn guarantee; had authorised a R660m prepayment for Tegeta to buy Optimum; and had been hosted by the Saxonwold family in Dubai. He was also allegedly instrumental in reducing Optimum's R2bn fine to R577m after the mine was bought by the Guptas.

Singh has said he was preparing a "tell-all document" that would explain his actions.

*Source: Business Day*