

## Businessman, accountant arrested for R35m IDC fraud

Gauteng Hawks head, Major General Ebrahim Kadwa, has praised the investigation team for a major breakthrough on the apprehension of two fraud accused in relation to approximately R35m defrauded from the Industrial Development Corporation (IDC).



Image source: olegdudko – [123RF.com](https://123RF.com)

In a statement Hawks spokesperson, Captain Ndivhuwo Mulamu, said the investigation came after reports in 2017 suggested that the retail company director, Eusuf Fehaaz (42) and his accountant, David Larkan (58) misrepresented themselves and submitted a fraudulent audit report when applying for funding from the IDC.

“As a result, the IDC allegedly transferred approximately R35m into the accused retail company’s business bank account for development projects,” she said.

Through internal forensic analysis, IDC discovered that the Durban-based retail company, Glodine (Pty) Ltd, did not possess the R10m surplus in their business bank account as indicated from their audit report.

The matter was reported to the Hawks' Serious Commercial Crime Investigation in Johannesburg for further probing. Authorities successfully restrained the company's bank transaction movements and a potential R25m belonging to the entity was effectively secured.



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Mulamu said a warrant of arrest was subsequently issued for the duo's apprehension.

"Both Fehaaz and Larkan handed themselves to authorities accompanied by their legal representatives, yesterday. They were subsequently charged with fraud and taken to the Palm Ridge Specialised Commercial Crimes Court for their first appearance on the same day," she said.

The court granted the accused bail of R10,000 and R5,000, respectively.

The case is postponed to 27 June 2022 for docket disclosure.

"We are anticipating a successful and well deserving conviction on this matter. In this country there is a lot of small businesses in need of funding to expand and develop their communities but may not be successful due to such crimes.

"It is evident that the accused' aim was mainly to destroy the administration of the entity by allegedly stealing from other aspiring entrepreneurs who need funding.

"The accused' apprehension is a step towards a better South Africa with less criminals within our communities," Major General Kadwa said.

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