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Zondo commission – Transnet port contract benefited Guptas

Investigator Paul Holden returned to the commission of inquiry into state capture on Friday to continue his evidence on the flow of money from government contracts to entities linked to the Guptas, allegedly through money laundering schemes. Holden is director of UK-based Shadow World Investigations.

In late 2011 Transnet Port Terminals (TPT) issued a R1-billion tender for the supply of an assortment of cranes as part of its expansion programme for its Ngqura container terminal in Port Elizabeth. Three requests for proposals (RFPs) were issued in total, one for the supply of 18 single-lift rubber tyre gantry cranes and another for the supply of twin lift ship-to-shore cranes. Both also carried options to expand the purchase orders. The third RFP was for the supply of the other two combined.

Days after the RFPs were advertised, Gupta associate, and CEO of Sahara Computers at the time, Ashu Chawla sent an e-mail to a man by the name of Piyoosh Goyal, whom Holden described as the chairman of World's Window group of companies in India. In this period the Guptas, through Chawla, were allegedly engaging in money laundering, in partnership with World's Window. This Holden deduced from a series of e-mails that make up the now famous Guptaleaks, a trove of e-mails discovered in 2017 that have exposed the family's intricate financial dealings and the networks that these occurred within.

In the e-mail, Chawla attached an official document, an internal memorandum penned by Transnet's executive manager of capital procurement Denzil Pillay to the CEO of TPT, a subsidiary of Transnet. The memorandum gave progress updates on how TPT was to go about sourcing a supplier and details of qualifying criteria for such a supplier. It is unclear how Chawla ended up with access to an internal Transnet official document.

Swiss company Liebherr Cranes was awarded the contract on the basis of the third RFP. This meant that it would supply TPT with both sets of cranes needed for Ngqura. Liebherr later started making large payments into accounts held by some of the Gupta companies.

The first that Holden referred to was a R3.2-million payment to Accurate Investments, an offshore company that is registered in the United Arab Emirates (UAE). Accurate's sole director, said Holden, was a man called Sanjay Grover, an Indian national who acted as a frontman and administrator in the UAE for the Guptas. According to Accurate's records that Holden could find, the amount was paid in tranches between July 2013 and December 2014, when the Guptaleaks trail goes cold. The first tranche, of just under R1-million, was broken up and re-channelled to another Gupta company, Global Corporation. And so the pattern went, eventually landing in the account of more companies like Sahara in South Africa and another offshore outfit Wizcraft.

A company called Star Engineering, which is believed by Holden to have been commissioned to supply the dairy farm infrastructure for the Vrede dairy project in the Free State, also gained from the proceeds of this payment.

In essence, said evidence leader Advocate Matthew Chaskalson, Transnet money paid for a Vrede project supplier. Holden agreed with that proposition.

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