

Asset Forfeiture Unit freezes properties linked to alleged NLC corruption

The National Prosecuting Authority's Asset Forfeiture Unit (NPA AFU) has obtained an order to preserve various properties which the unit says are the proceeds of illegal activities at the National Lotteries Commission (NLC).



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

The preservation order includes nine luxurious residential estates to the value of more than R22m, a BMW 420i convertible and two Ocean Basket franchises.

NPA spokesperson Lumka Mahanjana said the move to freeze the properties come as a result of allegations of “serious maladministration and corruption” at the NLC.

“This is after the Special Investigation Unit (SIU) was, in terms of Proclamation No. R. 32 of 2020 published in Government Gazette No 43885 of 6 November 2020, directed by the President to investigate certain specified matters listed in the proclamation for the period 2014 to up to now.



Former Lotto Commission exec's pension frozen

21 Sep 2022



“Widespread corruption, fraud, theft, and contraventions of the Lotteries Act were discovered by the SIU against officials of the NLC and certain Non-Profit Organisations (NPOs) who applied for NLC grants and who worked in concert with each other to defraud the NLC,” she said.

The next step, Mahanjana said, will be to apply for a forfeiture order and if granted, “the properties will be sold at public auction and proceeds returned to the NLC”.

SIU investigation

Mahanjana explained that the preliminary investigation by the SIU found that the NLC has lost hundreds of millions of Rands in grants that were meant for community improvement projects such as school reconstruction, a drug rehabilitation centre and the construction of an old age home.

“Instead, the grants were used to buy luxurious properties for the benefit of employees of the NLC and members of the NPO’s and/or their family members and/or friends.



Lotteries COO heads to court to stop corruption probe

Raymond Joseph 11 Apr 2022



“In most instances, the properties were registered in the names of the entities and not in the name of private individuals. Some entities masqueraded as construction companies but did not do construction, or very little, and were effectively used as money laundering vehicles to receive kickbacks from NPOs who received grants from the NLC,” she said.

Mahanjana said criminal cases are now being investigated against implicated individuals including the NLC former chief financial officer Philemon Letwaba, chief executive officer Lesley Ramulifho and the attorney who did legal work for NLC.

“The NPA wants to assure the public that it is relentless in its fight against organised crime, including those employees in government institutions who steal from the most vulnerable to enrich themselves and fund their opulent lifestyles,” Mahanjana said.

For more, visit: <https://www.bizcommunity.com>