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# **EXHIBIT HH 7**

**AFFIDAVIT & ANNEXURES**

**OF**

**WILLIE BASSON**



**JUDICIAL COMMISSION OF INQUIRY INTO ALLEGATIONS OF STATE CAPTURE,  
CORRUPTION AND FRAUD IN THE PUBLIC SECTOR INCLUDING ORGANS OF STATE**

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**IN THE COMMISSION OF INQUIRY INTO ALLEGATIONS OF STATE  
CAPTURE, CORRUPTION AND FRAUD IN THE PUBLIC SECTOR  
INCLUDING ORGANS OF STATE ("THE COMMISSION")**

**AN INVESTIGATION INTO THE VREDE DAIRY PROJECT**

**SWORN AFFIDAVIT**

I, the undersigned,



hereby declare under oath as follows:

1. I am a major businessman conducting business under the name and style of Vrede Trekkers & Grondwerke situated at 13 Kerk Street, Vrede, Free State Province.
2. The content of this affidavit is true and correct and falls within my own personal knowledge, unless the contrary clearly appears from the context or is otherwise stated.
3. I have been approached by investigators associated with the Commission of Inquiry into Allegations of State Capture, Fraud and Corruption in the

Public Sector and certain Organs of State ("the Commission") to provide

4. information as to my knowledge relating to Estina (Pty) Ltd (Registration No. 2008/015033/07) ("Estina") and the Vrede Integrated Dairy Project ("the dairy project/dairy farm").
5. I own and operate a construction company in Vrede. I also hire out earthmoving equipment, plant and machinery. In addition, I am a farmer, and am well versed in cattle farming. I know and am well known to many of the farming community in Vrede, and have many contacts within that industry.
6. In this regard and during or about 2012 to 2014 I was contracted either by Estina itself, alternatively one of Estina's contractors and more particularly EG Construction as represented by Mr. Koos Eksteen and another gentleman known to me only as Floris to assist in various construction works as a subcontractor. By way of example I was contracted to clear, level and compact the farm surface, prior to any construction work taking place on the dairy farm.
7. I was also contracted to enlarge the dam on the farm, and later to provide feed for the cattle on the farm. As such I found myself regularly on the Vrede Dairy farm.



8. During or about March 2013 I was contracted for purposes of attending to the drainage and certain construction and earthmoving works related to various of the cattle sheds in which the dairy cows would be fed and/or housed. I attach hereto as annexure "WB1" a copy of the invoice issued by myself in respect of the said work.
9. During or about 2013 I was approached by Mr. C Prasad ("Mr. Prasad") to assist in the establishment of what was called the processing plant.
10. In this regard and due to the fact that I have various plant and machinery and I am the only provider of such plant and machinery in and around Vrede, it made logical sense for them to approach me to assist with the establishment of the processing plant.
11. I can confirm that the parts from the processing plant appeared to have been shipped in containers and when they arrived on trucks at the Vrede Dairy Farm it was required that they be removed from the containers and fitted in their appropriate positions in the processing plant. I was required to provide various heavy lifting equipment to facilitate same.
12. I was personally present when much of the equipment was removed from the containers and established in the processing plant. I immediately noted that several of the stainless steel kettles and containers appeared used and in fact were badly rusting and in a generally poor condition. In my view, it appeared that this was not new equipment but rather second hand

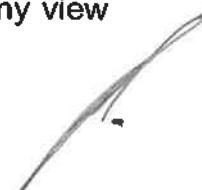


equipment from the condition that I noted. In this regard an invoice was issued for these services, a copy of which is attached hereto as annexure **"WB2"**.

13. During or about 2013 I was contacted by Mr. Prasad to be of assistance to Estina after approximately 100 of their cattle had died. In this regard, I was required to excavate a suitable burial site, transport the carcasses of the dead animals, bury them and then to refill the excavated site.
14. My observations of the cattle and being a cattle farmer myself, it was clear that the majority of these cattle had died from hunger and malnutrition.
15. I assisted in the burial of cattle 2 to 3 times after this, however, the number of cattle to be buried on those occasions were minimal (in comparison to the first time) being between 10 to 15 cattle at a time.
16. During or about 2014 it became quite apparent to me that Estina was in no position to feed its cattle. As such I approached Mr. Prasad and informed him that he would require feed if his cattle were to survive the winter months. It was very clear to me that the people in charge at the project had absolutely no idea about cattle farming and the feed requirements for such cattle in the area nor did they have the requisite contacts to purchase and arrange animal feed for the cattle.



17. In this regard I offered to be of assistance to purchase a quantity of animal feed, however I wanted to be assured that I would be paid should I be able to source and provide such cattle feed for the Vrede dairy farm.
18. Mr. Prasad assured me that I would be paid and accordingly I then proceeded to procure approximately R1 million worth of cattle feed which was promptly delivered to the farm. Accordingly, an invoice was provided to Estina and it was duly paid. I attach hereto as annexure **"WB3"** a copy of the invoice provided to Estina.
19. During the course of the dairy project and my involvement therein I came to meet several of the persons tasked with the establishment of the Vrede Dairy Farm. No less than 3 of these individuals were clearly Indian nationals who had very limited ability to communicate in the English language and who were identified to me by Mr. Prasad as being members of the Gupta family.
20. Finally, I was interviewed by journalists and as a result of such interview an article was published, a copy of which article I attach hereto as annexure **"WB4"**.
21. I was also asked by the investigators what I believed it would have cost to construct the gates, guardhouse and gravel road entering the farm. In this regard I understand from what I have read in the press that no less than R2.5 million was charged for the construction of these items. In my view



and opinion, it would have cost nothing more than between R500,000.00 and R600,00.00.

22. This is all I wish to declare at this stage.

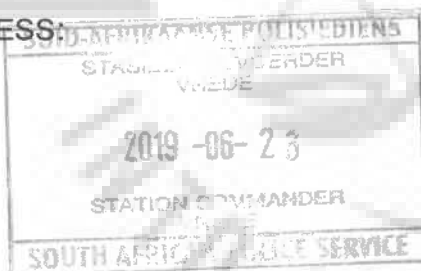
Signed and sworn before me at Vrede this 26<sup>th</sup> day of June 2019 after the deponent declared that the deponent is familiar with the contents of this statement and regards the prescribed oath as binding on the deponent's conscience and has no objection against taking the said prescribed oath. There has been compliance with the requirements of the Regulations contained in Government Gazette R1258, dated 21 July 1972 (as amended).

COMMISSIONER OF OATHS:

FULL NAMES:

CAPACITY:

ADDRESS:



**DEPONENT**

Silwene Khosa  
Police Officer  
No 7 Choor Street  
Vrede



**BELASTINGFAKTUUR/TAX INVOICE**

☎ (058) 91-31399  
 ☎ (058) 91-31633  
 Sel/Cell 082 554 0118

Kerk St  
✉ 657  
VREDE  
9835

PAID

27 / 11 2013

M Estina Pty Ltd 5446  
Posbus 349  
VREDE 9835

# VREDE TREKKERS

**TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER**  
BTW/VAT 4790163333

HIRE OF TLB @			
R 2800 / DAY for			
2 DAYS		R	5 600.00
VAT		R	784.00
		R	6 384.00
VAT 4650257167			

# (017) 712-2917 - Starprint - 3231



Kerk St  
657  
VREDE  
9835

PAID

38 / 11 2013

M Estina Pty LTD 5450  
Posbus 349  
VREDE 9835

# VREDE TREKKERS

**TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER**  
BTW/VAT 479016333

HIRE of TLB				
28 / 11 / 2013	R	2 800	00	
VAT	R	392	00	
TOTAL	R	3 192	00	
VAT 4650257167				

**BELASTINGFAKTUUR/TAX INVOICE**

☎ (058) 91-31399  
 ☒ (058) 91-31633  
 Sel/Cell 082 554 0118

Kerk St  
✉ 657  
VREDE  
9835

PAID

29/11 2013  
M. ESTINA PTY LTD 5452  
POSBUS 349  
VREDE 9835

# VREDE TREKKERS

**TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER**  
BTW/VAT 4790163333

HIRE of TLB			
29 / 11 / 2013	R	2 800 00	
VAT	R	392 00	
TOTAL	R	3 192 00	
BANKBESONDERHEDE			
VREDE TREKKERS			
REK nr : 042320488			
STANDBANK VREDE			
VAT 4650257167			

**BELASTINGFAKTUUR/TAX INVOICE**

☎ (058) 91-31399  
 ☒ (058) 91-31633  
 Sel/Cell 082 554 0118

Kerk St  
✉ 657  
VREDE  
9835

paid

2/12 2013  
M. ESTINA PTY LTD 5455  
POSBUS 349  
VREDE 9835

## VREDE TREKKERS

**TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER**  
BTW/VAT 4790163333

HIRE of TLB			
2013	12/02	R	2 800 00
	VAT	R	392 00
	TOTAL	R	3 192 00
VAT 4650257167			

☎ (058) 91-31399  
 ☒ (058) 91-31633  
 Sel/Cell 082 554 0118

Kerk St  
✉ 657  
VREDE  
9835

Powd

14/12 2013  
M. ESTINA PTY LTD 5470  
POSBUS 349  
VREDE 9835.

# VREDE TREKKERS

**TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER**  
BTW/VAT 4790163333

HIRE OF TLB		R	2800.00
2013/12/14			
VAT		R	392.00
TOTAL		R	3192.00
VAT 4650257167			

STATE CA





**BELASTINGFAKTUUR/TAX INVOICE**

☎ (058) 91-31399  
 ☒ (058) 91-31633  
 Sel/Cell 082 554 0118

Kerk St  
657  
VREDE  
9835

PAID -

M ESTINA (PTY) LTD. 14 / 05 2014  
Posbus 349. 5654  
VREDE 9835.

# VREDE TREKKERS

**TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER**  
BTW/VAT 4790163333

	Moving of Boiler	R	14 500 00
	HIRE of 30 Ton CRANE WITH TRANSPORT	R	8 800 00
	HIRE of LOWBED + CAT 950 F/L	R	5 600 00
	HIRE of 3 TLB @ R 3800	R	78900 00
	VAT	R	4046 00
	TOTAL	R	37946 00

VAT NR: 4650357167

☐ (017) 712-2917 - Stanprint - 3231

STATE CA



**BELASTINGFAKTUUR/TAX INVOICE**

☎ (058) 91-31399  
 ☒ (058) 91-31633  
 Sel/Cell 082 554 0118

PAID -

Kerk St  
657  
VREDE  
9835

08 / 08 2014  
M Estina (PTY) LTD. 5789  
Posbus 349.  
VREDE 9835.

# VREDE TREKKERS

**TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER**  
BTW/VAT 4790163333

VOER vir Melkkoeie	R	150000.00
Geen BTW.		

  
VAT NR: 4650257167.







**BELASTINGFAKTUUR/TAX INVOICE**

☎ (058) 91-31399  
 ☒ (058) 91-31633  
 Sel/Cell 082 554 0118

Kerk St  
✉ 657  
VREDE  
9835

14 / 10 2014

M ESTINA (PTY) LTD 5897  
POSBUS 349  
VREDE 9835

## VREDE TREKKERS

**TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER**  
BTW/VAT 4790163333

631 BAIE VOER	R	240000-00
(No VAT.)		
		
VAT 4850257167		

Self-Cert VAT form

01/04 4-9 2015  
M. Vrede Dairy Project 6301  
Postbus 349  
Vrede 9535

# VREDE TREKKERS

TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER  
BTW/VAT 4790163333

700 Bale Vred E			
R700-00 per bal			
Gelewer te Vrede	2380000		
VAT. 4400136869			

0017 712-2917 - Starprint - 3231

8

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**BELASTINGFAKTUUR/TAX INVOICE**

☎ (058) 31-31399  
 ☎ (058) 91-31633  
 Se/Cell 082 554 0118

Kerk St  
657  
VREDE  
9835

14: 9 2015  
m. Vickie Danny Projects 6313  
Postbus 399  
Vickie 91835.

# VREDE TREKKERS

**TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER**  
BTW/VAT 4790163333

700 Bale	Voer @	
R340.00 per Bale		
Gewas te Vlede		23800.00
	Total	23800.00

VAT.

— (017) 712-2917 — Superint — 3231

STATE CAPTURE

## BELASTINGFAKTUUR/TAX INVOICE

☎ (058) 91-31399  
 ☒ (058) 91-31633  
 Sel/Cell 082 554 0118

Kerk St  
657  
VREDE  
9835

39 / 07 20.15  
M VREDE Dairy Projects 6266  
POSBUS 349  
VREDE 9535

# VREDE TREKKERS

**TROKKE, IMPLEMENTE, GRONDVERSKUIWING EN VERVOER**  
BTW/VAT 4790163333

700 BAIE VOER  
@ R 340 / BAAL.  
GELEWER TE  
VREDE. R 238000-00

VAT 4400136869

— (G17) 712-2917 — Stampprint — 3235

Prod. EFT  
5/8













Willie Basson, right, is the main government contractor in Vrede and helped build the dairy farm. He said the business was so badly mismanaged that he ended up having to dig graves for as many as 100 cows. Picture: Joao Silva/The New York Times

The accounting firm has since acknowledged that its actions "fell well short of the quality expected."

Many of the problems surrounding the dairy farm could have been ignored had the province not tried to tap into a national fund for struggling farmers. The national government initially agreed to give about \$4 million to the project on the condition that the province submit, among other things, a list of 100 poor farmers who would benefit from the farm.

When the government found no evidence that local farmers were involved, it sent National Treasury auditors to investigate in 2013. Though Mr. Zwane, sometimes accompanied by his wife, had held meetings to look for beneficiaries, no official list had been drawn.

After the auditors started asking questions, a list of beneficiaries — between 80 and 100, depending on the version — was hastily assembled.

Some were genuine farmers. "Others, they are not even farmers," Mr. Radebe said, adding that many were A.N.C. supporters. "They don't even have a cat."

Estina did try its hand at dairy farming in Vrede. When the National Treasury's investigators visited in 2013, they found about 350 cows and some buildings under construction. But the seemingly inflated costs — including \$215,000 for a manually sliding gate and a guardhouse — drew scrutiny from the opposition party.

And while the beneficiaries were supposedly the farm's owners, they were never informed of the project's developments. They were not even allowed to visit the premises.

Those who were serious about farming started to complain. At a meeting with officials in the provincial government, Mr. Dhlamini and Mr. Ncongwane, of the African Farmers Association, said that when they raised questions about the project, they were dismissed as noisy "frogs."

That especially stung Mr. Dhlamini, who once was the only black South African business c in Vrede. He ran a small record store called "Siyathuthuka," or "We're moving forward," in the Zulu language, but was forced to shutter his store because of rising rents. He was now focused full time on farming and owned 35 cows.



In early 2014, the National Treasury sent a scathing report to Mr. Magashule, the premier of Free State, and told the province to stop paying Estina. But it took Free State another six months to take the farm back. The province even continued to pay Estina another \$11 million after officially terminating the contract, court documents show.

In the end, a project meant to empower black farmers like Mr. Dhlamini further enriched the Guptas and one of the wealthiest white men in Vrede, Willie Basson. With a fleet of vehicles, construction equipment and billboards advertising his business all over town, Mr. Basson is the main government contractor in Vrede and helped build the dairy farm.

But he said that Estina mismanaged the business so badly that he ended up having to dig graves for as many as 100 cows, even though he had delivered feed for them.

"They just do projects like this to get money," he said in an interview in his office. "That's how they operate, but, luckily, they paid me every cent," Mr. Basson said.

"Hey! It's rotten in this place here," he exclaimed, pounding on the table in front of him. "And we work with all of them, so we know."

### Ignoring Alarms

It was a measure of how corrupt South Africa had become a generation after the end of apartheid that nothing was done about the Vrede dairy farm case for years.

The national police and prosecutors looked away even after the National Treasury raised alarms about the project.

In Free State, some who spoke out against public corruption were suddenly killed in circumstances that, even in a country with widespread violent crime, aroused suspicions.

Moses Tshake, a provincial government auditor who inquired about projects in the agriculture department, was killed in a carjacking in 2013. In Warden, a town where Mr. Zwane has a large home, Vusi Mlaba, a politician who had campaigned against corruption in public housing, was fatally shot a dozen times just outside his home in 2016. Police investigations resulted in no arrests in either case.

As for Mr. Zwane, the dairy farm hardly hurt his career.

During Mr. Zuma's presidency, the Gupta brothers increasingly acquired economic and political influence by forging close ties with the president, his son and political allies like Mr. Magashule, the provincial premier who endorsed the dairy farm project. A lawyer for Atul Gupta, from whom prosecutors tried to recover public money spent on the dairy farm, did not respond to a request for an interview with his client.

The Guptas' influence, and possibly direct role, in the appointment of ministers and other important government officials has been investigated by the Public Protector and is expected to be a focus of a recently begun government inquiry into public corruption.

In August 2015, according to the leaked emails, Tony Gupta, the youngest of the three brothers, forwarded Mr. Zwane's résumé to Duduzane Zuma, one of the president's sons, who was a director of many companies operated by the Guptas. Two months later, Mr. Zwane, whose highest qualification is a teacher's diploma, became South Africa's new minister of minerals and energy, one of the most important — and potentially lucrative — portfolios.

Shortly after his appointment, Mr. Zwane went to Zurich with Tony Gupta and met with an executive from Glencore, the giant international commodities and mining firm. At the time, the Guptas were trying to buy a Glencore coal mine. In a 2016 report on corruption, the Public Protector called Mr. Zwane's lobbying in Switzerland "potentially unlawful."