



**THE SUPREME COURT OF APPEAL OF SOUTH AFRICA**  
**MEDIA SUMMARY OF JUDGMENT DELIVERED IN THE SUPREME COURT OF**  
**APPEAL**

**From:** The Registrar, Supreme Court of Appeal

**Date:** 11 June 2025

**Status:** Immediate

*The following summary is for the benefit of the media in the reporting of this case and does not form part of the judgments of the Supreme Court of Appeal*

***Inzalo Enterprise Management Systems (Pty) Ltd v Chief Albert Luthuli Municipality (102/2024) [2025] ZASCA 85 (11 June 2025)***

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Today the Supreme Court of Appeal (SCA) handed down judgment, and upheld the appeal, with costs, against an order granted in the Mpumalanga Division of the High Court, Mbombela (high court).

The appellant, Inzalo Enterprise Management Systems (Pty) Ltd (Inzalo), provided essential financial and administrative software services to the respondent, Chief Albert Luthuli Municipality (the Municipality), in terms of a Master Agreement concluded between the parties. Clause 7 of the Master Agreement, under the heading ‘Termination’, reserved to the Municipality ‘the right to all data captured on the Designated Software’. The Master Agreement lapsed by effluxion of time on 30 June 2023. In March 2023, the Municipality invited bids for an integrated financial system and accepted Munsoft (Pty) Ltd’s (Munsoft) tender in July 2023. Inzalo’s attorneys objected to the tender process. The Municipality offered a month-to-month extension of the Master Agreement; Inzalo declined, asserting that no new contract had been concluded and reminding the Municipality of fees due and payable. On 17 August 2023, the Municipality brought urgent proceedings, alleging that Inzalo had ‘switched off’ the system and denied access to data essential for municipal functions.

The high court gave an *ex tempore* judgment which found that Inzalo was not entitled to the Municipality’s data. In the transcription of the judgment, the order compelled Inzalo to deliver ‘all data that it holds in its files’, while the order issued by the Registrar of that court read that Inzalo to deliver ‘all data files.’ Inzalo was ordered to do so by 25 September 2023, and directed Inzalo to pay the Municipality’s costs. Inzalo challenged the order requiring it to deliver ‘all data files’. Inzalo’s application for leave to appeal was dismissed by the high court, but granted on petition to this Court.

The central dispute on appeal was whether the Municipality was entitled to the order made by the high court.

The SCA found that the Master Agreement vested no proprietary claim in the Municipality to such property. Rather, it specified that Inzalo is the sole proprietor of the intellectual property attaching to data embodied in the Designated Software. The Court held that the high court order, by demanding 'all data files', was overbroad. The Court found that the Master Agreement's silence on the content and circumstances of 'captured data' gave rise to disputes of fact that could not be resolved on the papers. It concluded that what data, if any, the Municipality was entitled to and how the Master Agreement was to be implemented required the leading of oral evidence.

As a result, the SCA set aside the high court order and remitted the matter for the hearing of oral evidence before a judge to be allocated by the Judge President or Deputy Judge President of the Division on the sole question of what data, if any, the Municipality was entitled to claim.

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