



THE SUPREME COURT OF APPEAL
REPUBLIC OF SOUTH AFRICA

MEDIA SUMMARY – JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL

From: The Registrar, Supreme Court of Appeal

Date: 9 October 2015

Status: Immediate

MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS v I M KARAN t/a KARAN BEEF FEEDLOT

Please note that the media summary is intended for the benefit of the media and does not form part of the judgment of the Supreme Court of Appeal

1. On 28 September 1993 the legal predecessor of the appellant, the Minister of Water and Environmental Affairs, issued a permit to the respondent, Mr I M Karan t/a Karan Beef Feedlot (Mr Karan), in terms of the provisions of s 62(2I)(a)(i) of the repealed Water Act 54 of 1956. In terms of the permit Mr Karan was authorised to abstract water from the Suikerbosrand River ‘for industrial purposes (feedlot)’, on condition that the tariff for industrial use shall be charged.

2. Mr Karan contended that, as a matter of interpretation, the permit related only to water used for irrigation purposes. A dispute also arose as to whether Mr Karan is liable for payment of levies to the Trans-Caledon Tunnel Authority (TCTA), which supplies water to the Vaal Dam via the Lesotho Highlands Water Project. Mr Karan approached the Gauteng Division of the High Court, Pretoria for an order declaring (i) that on an interpretation of the permit, he is only liable for payment of irrigation charges and (ii) that he is not liable for payment of TCTA levies. The high court granted the relief claimed and the appellant appealed to the Supreme Court of Appeal (SCA).

3. Today the SCA upheld the appeal in respect of (i), but dismissed it in respect of (ii). The SCA referred to the background of the permit and held that the clear meaning thereof could not be departed from unless it is varied on review, which the respondent elected not to do. The SCA also held that as Mr Karan does not abstract water from the Vaal River, he is not liable for payment of TCTA levies.

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