

## 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** 24 November 2016

STATUS Immediate

Please note that the media summary is for the benefit of the media and does not form part of the judgment.

Freshvest Investments (Pty) Ltd v Marabeng (Pty) Ltd (1030/2015) [2016] ZASCA 168 (24 November 2016)

The Supreme Court of Appeal (SCA) today delivered judgment in a liquidation application in which the respondent-company, on the papers filed in opposition, disputed the applicant's claim against it on bona fide and reasonable grounds. The SCA reiterated that in such circumstances the application for liquidation should be refused as liquidation proceedings are not designed for the enforcement of disputed debts. The high court erred in referring the application to oral evidence after it had found that the debt was disputed on bona fide and reasonable grounds. The SCA reiterated that such procedure is not in accord with previous decisions of the courts.