IN THE COMPANIES TRIBUNAL OF SOUTH AFRICA

Case no.: **CT02525ADJ2025**

In the *ex parte* application of:

MIDDELVELD TREKKERS & IMPLEMENTE (PTY) LTD Applicant

Presiding member: Richard Bradstreet

Date of decision: 7 January 2026

DECISION (Reasons and Order)

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1. The Applicant is Middelveld Trekkers & Implemente (Pty) Ltd, a private company incorporated in terms of the laws of the Republic of South Africa, with registration number 1975/001259/07, and its principal place of business at 234 Cowen Ntuli Street, Middelburg, 1050.

2. This application is for an exemption from the requirement to appoint a Social and Ethics Committee ("**SEC**") in terms of section 72(5)(*b*) of the Companies Act 71 of 2008 ("**the Act**") on the basis that, having regard to the nature and extent of its activities, it is not reasonably necessary in the public interest for such a committee to be appointed.

3. The Applicant is closely held, having only two shareholders who are both also directors. The founding affidavit, deposed to by one of its directors, explains that its business activities are limited in scope and do not involve operations of a nature that would ordinarily raise concerns relating to social and economic development, environmental impact, consumer relationships, or public interest considerations of the kind contemplated in regulation 43. There is nothing on the papers to suggest that the Applicant's operations engage with the broader public in a manner that would require formal oversight by an SEC in order to achieve the purposes of the Act.

4. The submission is also made that the Applicant does not operate in a regulated industry, does not conduct activities that would ordinarily attract heightened ethical, environmental, or social scrutiny, and does not employ a workforce of such size or complexity that structured oversight through an SEC would be required. Although the scale and impact of a company's operations are central to the enquiry under section 72(5)(*b*), it is also relevant that the Applicant's affairs are managed directly by its directors, who remain subject to the fiduciary duties and standards of conduct imposed by the Act. The absence of an SEC does not relieve the board of its statutory obligations, and nothing in the papers suggests that these responsibilities are not being exercised.

5. On the facts placed before the Tribunal, it does not appear to be reasonably necessary in the public interest for the Applicant to be required to appoint an SEC. Requiring it to do so would not advance the public interest objectives

underlying section 72 and regulation 43 in any material way. The Applicant has therefore shown good cause for the exemption sought.

ORDER

6. The Applicant is exempted from the requirement to appoint a social and ethics committee in terms of section 72(5)(b) of the Companies Act 71 of 2008, for a period of five (5) years from the date of this decision.

Richard Bradstreet

Member of the Companies Tribunal

7 January 2026