
DEPUTY MINISTER OF FINANCE

MINISTER OF FINANCE

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 1967 [NW2278E]

DATE OF PUBLICATION: 16 SEPTEMBER 2016

REPLY RECOMMENDED BY:

DR DANIEL M MATJILA

CEO: PUBLIC INVESTMENT CORPORATION

NATIONAL ASSEMBLY

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1967. The Leader of the Opposition (DA) to ask the Minister of Finance:

- (a) When did the Public Investment Corporation (PIC) make the first purchase of shares in the VBS Mutual Bank and (b) what is the current monetary value in Rands of the PIC's 25,26% stake in the specified bank?

NW2278E

REPLY:

The Public Investment Corporation (PIC) have submitted the following information:

- (a) VBS Mutual Bank was established in 1982 and traded as the Venda Building Society. The Government Pension Fund of Venda was a shareholder in the Venda Building Society. The Public Investment Corporation (PIC) became a shareholder in VBS Mutual Bank (VBS) with the enactment of the Government Employees Pension Law, 1996 (Act 21 of 1996) (GEPF Law) on the 1st of May 1996. Section 14 of the GEPF Law provided for the discontinuance of *inter alia* the Government Pension Fund of Venda as well as the Government Superannuation Fund of Venda and for these funds to be amalgamated into the Government Employees Pension Fund.
- (b) As at 31 March 2016, the PIC had a 8.5% equity stake in VBS which was valued by external valuers at R4.123 million. The shareholding of 8.5% was due to a rights issue by VBS in which the PIC has not participated as at financial year end. The PIC has since resolved to participate in the rights issue, which will result in the PIC restoring its equity stake to 25.26%. The value of this equity stake will be approximately R12.369 million.