



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 23 March 2016
STATUS Immediate

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

Nurcha Finance Company (Pty) Ltd v Oudtshoorn Municipality (20821/2014) [2016] ZASCA 28 (23 March 2016)

The Supreme Court of Appeal has upheld the appellant's appeal against the judgment of the Western Cape High Court dismissing its claim for damages against the Oudtshoorn Municipality. The municipality had undertaken to pay amounts due by it in terms of a building contract with a third party, to the appellant. However, upon the cancellation of the building contract, the municipality refused to make the payments due to the appellant. The SCA held that the payments were due in terms of the undertaking given by the municipality and that the appellant's claim was not precluded by virtue of the cancellation of the building contract. The municipality was accordingly ordered to pay damages to the appellant in an amount of R2 692 467.43, together with interest thereon and costs.

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