

Solidarity to oppose Atlantis Forge liquidation

BUSINESS WRITER

TRADE union Solidarity plans to oppose Atlantis Forge's liquidation application, saying the process was irregular and that management of the vehicle components manufacturer did not do everything it could to save the company.

The union wants to rope in the help of the Industrial Development Corporation (IDC) to save the jobs of about 400 workers who were sent home last

week after the company ran out of funds for production.

The IDC was Atlantis Forge's biggest shareholder.

Johan Engelbrecht, whose firm Enco Business and Financial Administrators is opposing the liquidation on behalf of Solidarity, said the way the application was handled was also irregular.

"According to our information the application was not served on Solidarity and there was also information that there

were irregularities," he told the Cape Argus.

"A couple of days before the application, the company changed the address from Cape Town to Bloemfontein."

He said this may have been because the company's management wanted the court to appoint its own liquidators, who could protect its interests.

"We believe not all efforts have been made to save the company," Engelbrecht said.

An alternative would have

been to ask a court to put Atlantis Forge under judicial management, whereby a court-appointed person would take over its affairs.

This may have enabled the company to reach some kind of settlement with its creditors, who are collectively owed R99 million.

Atlantis Forge's moveable assets only amount to R30m, CEO Arno van Wyk said in court papers last week.