



KOGI STATE OF NIGERIA



VOLUME ONE

**THE REPORT OF THE SPECIALIZED
TECHNICAL COMMITTEE
ON THE EVALUATION OF THE LEGALITY OF THE
ALLEGED ACQUISITION OF
OBAJANA CEMENT COMPANY PLC
BY DANGOTE CEMENT COMPANY LIMITED**

Submitted to

HIS EXCELLENCY

ALHAJI YAHAYA BELLO

GOVERNOR OF KOGI STATE

SEPTEMBER, 2022.

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1.0 BACKGROUND.

1.1 The Governor of Kogi State, His Excellency Alhaji Yahaya Bello, in his quest for good governance and accountability, set up a seven man Judicial Commission of Inquiry pursuant to section 2 of the Commission of Inquiry Law, Cap 25 Laws of Northern Nigeria (as applicable in Kogi State) vide Kogi State Legal Notice No. 2 of 2016 and all powers enabling thereto, to probe, investigate, recover misappropriated public funds, lost or diverted Government properties, failed contracts and existence of ghost workers in Kogi State under the previous administrations of Kogi State between 29th May, 2003 and 27th January, 2016.

1.2 In pursuance of one of the accepted recommendations of the Judicial Commission of Inquiry on the alleged acquisition of Obajana Cement Company Plc by Dangote Industries Limited, His Excellency granted approval for the setting up of this Specialized Technical Committee to study and proffer answers to the under listed Terms of Reference:

- i To consider the legal implications of DCP 2 & 3 in Exhibit 71 which are the two documents



purportedly used to transfer the company from Kogi State to Dangote.

- ii. To determine whether or not it was proper to transfer and if the proper instrumentality of Government was used in disposing the asset of the State, if so disposed.
- iii. To trace and account for all the revenue due and generated from the transaction as to determine whether the State got her dues from onset till date.
- iv. To determine which person directly or indirectly represented the State from the onset in all the dealings with Dangote with a view to determining whether or not there are cases of collusion, manipulation, contrivances or self serving negligence in any part.
- v. To determine the propriety or otherwise of granting the 7 years tax holiday to Dangote.
- vi. To determine the consequence of the assignment of the three certificates from Dangote to Obajana prior to the mortgage.
- vii. To determine the propriety or otherwise of granting a waiver of registration charges and fees of 80% which is revenue loss to the State when



recipient was already a beneficiary of a tax holiday.

- viii. To determine the propriety or otherwise also of allocating Certificate of Occupancy to Dangote over mineral site in Obajana.
- ix. To determine the propriety or otherwise of merging the three certificates into a brand new one when in fact a mortgage has been registered on the previous certificate; and
- x. For such other issues arising from the ownership and transfer of Obajana to Dangote.

1.3 MEMBERSHIP.

S/N	NAME	DESIGNATION
1.	Mrs Folashade Arike Ayoade, Ph.D. Secretary to the Government of Kogi State.	Chairman
2.	Asiwaju Asiru Idris. Hon. Commissioner of Finance, Budget and Economic Planning.	Member
3.	Abubakar Bashir Mohammed. Hon. Commissioner for Solid Minerals and Natural Resources.	Member
4.	Alhaji Yakubu Y. Okala, FCA. Auditor – General of Kogi State.	Member
5.	Nazir Yusuf Ochi, CNA. Director General Bureau of Lands and Urban Development, Kogi State.	Member
6.	Alhaji Sule Salihu Enehe, FCA Ag. Executive Chairman Kogi State Internal Revenue Service.	Member



S/N	NAME	DESIGNATION
7.	Alhaji Jibril Momoh, FCNA Accountant - General of Kogi State.	Member
8.	Ibrahim Omehi Alhassan, Esq. Chairman Nigerian Bar Association, Lokoja Branch.	Member
9.	Katu Abdullahi Sule, Esq. Permanent Secretary Cabinet.	Co-opted Member
10.	Mohammed Adama Okpanachi, Esq. Ag. Director Legal Drafting, Kogi State Ministry of Justice.	Secretary

2.0 METHODOLOGY.

2.1 In the series of meetings held, beginning with the inaugural meeting of 8th September, 2022, the Committee in order to accomplish the task before it adopted the following methodologies:

2.1.1 A critical study of the Judicial Commission of Inquiry report on Dangote Industries Limited.

2.1.2 A close study of Government views and decisions on the report of the Judicial Commission of Inquiry, (White Paper).

2.1.3 Expert views and observations of Members in the areas of law, land administration, accounting and revenue.

2.1.4 Review of other relevant documents.

3.0 FINDINGS.

- 3.1. DCP 2 (Agreement between Kogi State Government of Nigeria and Dangote Industries Limited, dated 30th July, 2002) and DCP 3 (Supplemental Agreement dated 14th February, 2003), as contained in Exhibit 71 of the Judicial Commission of Inquiry Report, purporting transfer of Obajana Cement Company Plc to Dangote Industries Limited, are invalid null and void because of the absence of consideration. The purported Agreements, (DCP 2 and DCP 3) are contained in volume 2 of this report as Annexure I and 2 respectively.
- 3.2. In view of the fact that there was absence of consideration, the purported transfer was not proper.
- 3.3 There is no evidence of consideration paid by Dangote Industries Limited to Kogi State Government from the alleged transfer of Obajana Cement Company Plc and no dividend was paid to the State from the profits realised from inception of Dangote Cement Company Plc to date.
- 3.4 Late Prince Abubakar Audu, the former Governor of Kogi State, Abdullahi Haruna, SAN, a



former Attorney General of Kogi State and Usman J. Mohammed, a former Commissioner for Solid Minerals, represented Kogi State in the transactions. Due to reasons of death, in the case of Prince Abubakar Audu and exigency of time, in the case of the other two personalities, the Committee was unable to reach out and interact with them.

3.5. Kogi State Government lacked powers to grant tax holiday, (Pioneer Status), as same is only within the exclusive preserve of the Federal Government. The tax holiday granted by the State Government is therefore of no effect.

3.6. By the assignment of the three Certificates of Occupancy, the title in Obajana Cement Company Plc, still vest in Kogi State as the sole owner. The three title documents were used to obtain loan of sixty three billion naira only, (N63, 000, 000, 000. 00) to finance the construction of the cement plant in Obajana.

3.6.1 The application for consent to assign, addressed to the Governor of Kogi State by Dangote Industries Limited, dated 8th September, 2004 and the approval letter for assignment addressed to Dangote



assignment of the certificates to Obajana Cement Company Plc cured that defect. The right over the mineral sites still vest in Kogi State Government as there is no evidence of relinquishment of same to Dangote Industries Limited.

3.9. Due process was not followed in the merger of the three Certificates of Occupancy into one because title in the three Certificates of Occupancy still vest in Obajana Cement Company Plc, Dangote Cement Company Plc therefore cannot apply for merger of same.

3.9.1 Certificate of Occupancy No. KG. 12357, issued in consequence of the improper merger which issuance date reads 25th November, 2016 but was doctored to read 25th November, 2015, is contained in volume 2 of this report as Annexure 9.

3.9.2 The Statutory Right of Occupancy issued pursuant to the improper merger dated 8th February, 2016 but doctored to read 8th February, 2015 is contained in volume 2 of this report as Annexure 10.

3.9.3 A counterpart copy of the Statutory Right of Occupancy in 3.9.2 above showing the original date of issuance as 8th February, 2016 is contained in volume 2 of this report as Annexure 11.



4.0 CONCLUSIONS.

From the foregoing, it is clear that the purported transfer of Obajana Cement Company Plc to Dangote Industries Limited was invalid, null and void.

5.0. RECOMMENDATIONS.

5.1. Kogi State Government should take steps to recover Obajana Cement Company Plc now changed to Dangote Cement Company Plc, situate in Obajana, Kogi State.

5.2 Kogi State Government should take steps to recover all accrued dividends from profits made over the years including accrued interest on same.

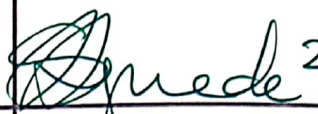
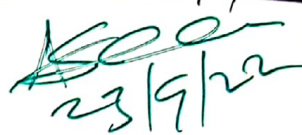
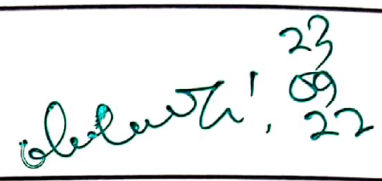
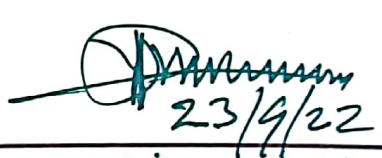
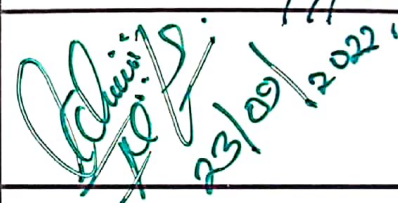
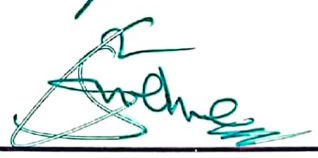


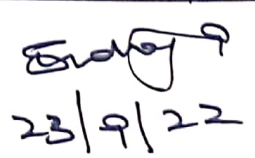
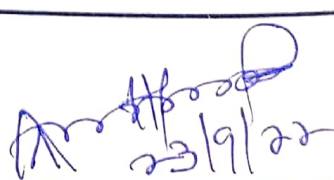
5.3 Kogi State Government should take steps to cancel the existing seven Certificates of Occupancy in the name of Dangote Cement Company Plc.

6.0 APPRECIATION

The Committee members wish to humbly appreciate His Excellency, the Governor of Kogi State, Alhaji Yahaya Bello, for the opportunity given to us to serve in this capacity.



7.0 CERTIFICATION.

S/N	NAME	DESIGNATION	SIGNATURE/DATE
1.	Mrs Folashade Arike Ayoade, Ph.D. Secretary to the Government of Kogi State.	Chairman	 23/9/22
2.	Asiwaju Asiru Idris. Hon. Commissioner of Finance, Budget and Economic Planning.	Member	 23/9/22
3.	Abubakar Bashir Mohammed. Hon. Commissioner for Solid Minerals and Natural Resources.	Member	 23/09/22
4.	Alhaji Yakubu Y. Okala, FCA. Auditor – General of Kogi State.	Member	 23/9/22
5.	Nazir Yusuf Ochi, CNA. Director General Bureau of Lands and Urban Development, Kogi State.	Member	 23/09/2022
6.	Alhaji Sule Salihu Enehe, FCA Ag. Executive Chairman Kogi State Internal Revenue Service.	Member	
7.	Alhaji Jibril Momoh, FCNA Accountant - General of Kogi State.	Member	 23/9/2022
8.	Ibrahim Omehi Alhassan, Esq. Chairman Nigerian Bar Association, Lokoja Branch.	Member	 23/9/22
9.	Katu Abdullahi Sule, Esq. Permanent Secretary Cabinet.	Co-opted Member	 23/9/22
10.	Mohammed Adama Okpanachi, Esq. Ag. Director Legal Drafting, Kogi State Ministry of Justice.	Secretary	 23/9/22

