

No. 674

23 May 2003

STRATEGIC INDUSTRIAL PROJECT (SIP)

I, Alexander Erwin, Minister of Trade and Industry hereby publish, in terms of section 12G(16)d of the Income Tax Act, 1962 (Act 58 of 1962) as amended (hereinafter referred to as the Act), the decision to approve an application received for strategic industrial project under section 12G of the Act and the Regulations promulgated in the Government Gazette No. 22848 of 21 November 2001.

1. PARTICULARS OF APPLICANT

1.1 IMSmelt (Pty) Ltd

1.2 IMSmelt (Pty) Ltd is a new project where steel mill waste from Columbus Stainless (Pty) Ltd will be treated and certain metal extracted for reuse. The end product of the recycling process will be used for production of stainless steel. The project is investing R221 208 832, with qualifying assets amounting to R221 063 624. The project falls within the SIC code 3951 and HSC code 7218.

1.3 Description and costs of qualifying industrial assets:

| Assets | Date of bringing assets into use | Value of qualifying assets (R) |
|-----------------------------|----------------------------------|--------------------------------|
| Plant and machinery: | | |
| Plant and Equipment | 31 October 2003 | 212 142 953 |
| Buildings: | | |
| Civils and Buildings | 31 October 2003 | 8 920 671 |
| Totals | | 221 063 624 |

1.4 Date of approval: 01 April 2003.

1.5 Envisaged date of commercial production: 01 May 2004

1.6 Specified period: May 2004 to May 2007

1.7 Amount of additional investment allowance: IMSmelt (Pty) Ltd was awarded 5 points and afforded a qualifying status. The recommended amount of additional investment allowance in respect of industrial assets to be used for IMSmelt (Pty) Ltd is R 110 531 812 (one hundred and ten million, five hundred and thirty one thousand, eight hundred and twelve rands only), 50% of R221 063 624, the cost of qualifying assets.

- 1.8 Potential national revenue to be forgone by virtue of deduction of the approved allowance for IMSmelt (Pty) Ltd will be R33 159 543.
- 1.9 IMSmelt (Pty) Ltd is expected to create 46 direct jobs before end of the specified period.

2. ENQUIRIES

Enquiries in respect of this publication should be made to:

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