

**NOTICE 597 OF 2013****DEPARTMENT OF TRADE AND INDUSTRY****SECTION 12I TAX ALLOWANCE PROGRAMME**

The Minister of Trade and Industry, Dr Rob Davies - in terms of section 12I (19)d of the Income Tax Act, 1962 (Act 58 of 1962) as amended (herein after referred to as the Act) and the Regulations promulgated in the Government Gazette No. 33385 of 23 July 2010 - hereby publishes the decision to **approve** an application received for the 12I Tax Allowance Programme.

**Particulars of applicant**

- Name of applicant: **Sephaku Cement (Pty) Ltd – Aganang Cement Project**
- **Sephaku Cement (Pty)** is a project to manufacture cement and clinker. The project will invest a total of **R2 695 2080**, with the value of qualifying manufacturing assets equal to **R1 749 252 808**. The project is classifiable under **SIC code 3424**.
- Description and costs of qualifying manufacturing assets:

| <b>Assets</b>                            | <b>Expected Date of Assets In Use</b> | <b>Value of Qualifying Assets (R)</b> |
|--|---------------------------------------|---------------------------------------|
| Mechanical Equipment                     | June 2013                             | 654 676 039                           |
| Electrical, Control & Automation Systems | June 2013                             | 199 705 392                           |
| Plant & Machinery                        | June 2013                             | 192 915 285                           |
| <b>Sub Total Plant &amp; Equipment</b>   |                                       | <b>1 047 296 716</b>                  |
| Buildings                                | June 2013                             | 701 956 092                           |
| <b>Total Qualifying Assets</b>           |                                       | <b>1 749 252 808</b>                  |

- Date of approval: **11 March 2013**
- Envisaged date of commercial production: **June 2013**
- Additional investment allowance benefit period: **December 2010 to December 2014**
- Additional training allowance benefit period: **December 2010 to December 2016**
- **Sephaku Cement (Pty) Ltd** is approved as a **Greenfield** project and awarded **6** points and afforded **Qualifying** status.
- The approved amount for the additional **investment** allowance in respect of manufacturing assets to be brought into use by **Sephaku Cement (Pty) Ltd** is **R 550 000 000** (five hundred and fifty million rand).
- The approved amount for the additional **training** allowance is **R 7 200 000** (seven million two hundred thousand rand).

- **Sephaku Cement (Pty) Ltd** is expected to create **200** direct jobs before the end of the additional investment allowance benefit period.
- Total potential national revenue to be forgone by virtue of deduction of the approved allowances for **Sephaku Cement (Pty) Ltd** will be **R 156 016 000**

**Enquiries relating to this publication should be made to:**

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