

DEPARTMENT OF TRADE AND INDUSTRY

NO. 1157

20 NOVEMBER 2015

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: **NALEDI FORGING (PTY) LTD.**
- **Naledi Forging (Pty) Ltd – Inhlanganiso Forge Wheel Project** is a project to manufacture **Train Locomotive and Wagon Wheels**. The project will invest a total of **R 1 710 748 080**, with the value of qualifying manufacturing assets equal to **R 1 710 748 080**. The project is classifiable under **SIC 3850**.
- Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant and Machinery	01 January 2017	1 336 526 488
Buildings	01 January 2017	374 221 592
Total Qualifying Assets		1 710 748 080

- Date of approval: **15 July 2015**.
- Envisaged date of commercial production. **January 2017**
- Additional investment allowance benefit period: **July 2015 to July 2019**.
- Additional training allowance benefit period: **July 2015 to July 2021**.
- **Naledi Forging (Pty) Ltd – Inhlanganiso Forge Wheel Project** is approved as a Greenfield project and awarded 7 points and afforded Preferred Status.

- The approved amount for the additional **investment** allowance in respect of manufacturing assets to be brought into use by **Naledi Forging (Pty) Ltd** is R 900 000 000 (nine hundred million rand).
- The approved amount for the additional **training** allowance is **R 1 908 000** (one million nine hundred and eight thousand rand).
- Total potential national revenue to be forgone by virtue of deduction of the approved allowances **Naledi Forging (Pty) Ltd** will be **R 252 534 240**.

Enquiries relating to this publication should be made to:

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